

THE Hongkong Weekly Press

AND

China Overland Trade Report.

Vol. LXX.]

HONGKONG, SATURDAY, 16TH OCTOBER, 1909.

No. 16

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BIRTH.

On October 7th, at Shanghai, to Mr. and Mrs. N. T. SAUNDERS, a daughter.

MARRIAGE.

On the 11th October, 1909, at "Beachhouse," Kulangsu, Amoy, China, ANTONIO MARTI to DOLORES, daughter of Mr. and Mrs. JUAN MEN- CARINI, I. M. Customs.

DEATHS.

At Chefoo, on October 4th, ERIC, the beloved son of Mr. and Mrs. F. J. CURTIS, of enteric fever.

On October 5th, at Moanshan, STEPHAN PAUL BARCHET, M.D., aged 66 years.

On October 7th, at Shanghai, CLAUDE ARTHUR BRAY, late of Beach Hotel, Chefoo, aged 40 years.

Hongkong Weekly Press.

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ARRIVAL OF MAILS.

The English Mail of the 17th ultimo arrived on the 14th instant.

The Siberian Mail of the 24th ultimo arrived on the 15th instant.

FAR EASTERN NEWS.

"The Leading Light" is the title of a new publication which comes from Shanghai. It confines itself to shipping news and notes, and supplies many items of general and personal interest on the China coast.

A cashier in the Yokohama Specie Bank at Antung is alleged to have absconded with 45,000 yen belonging to the Bank.

The many friends of Mr. J. O. P. Bland will be sorry to learn that he was compelled to leave the train at Harbin recently and go to the hospital on account of what has been diagnosed as an attack of diphtheria. Mr. Bland was on his way to Peking.

At a recent meeting of the Bangkok Sports Club the question of entering China ponies for races was considered. It was decided to wire to Shanghai to get a definite price for these ponies, and to ensure that the ponies be guaranteed sound.

News has reached Yokohama of the death in Paris of Madame L. Flayelle, wife of the French Consul at that port. She died under an operation at the Pasteur Institute. Madame Flayelle, who was only 34 years of age, leaves four children. Mr. Flayelle has recently been appointed Consul at Mengtze.

The British steamer *Taisang*, on her arrival at Manila last week from Amoy, was searched by secret service men, and although no opium was found they discovered three bolts of silk, eight mats and eight imitation Panama hats. The contraband goods were seized and turned over to the insular surveyor.

Whilst unloading the Mogul Line steamer *Ghazee* at the China Merchants' lower wharf at Shanghai last week, it was discovered that several bales of cotton were smouldering. Prompt measures were taken, and the fire was extinguished before the Brigade arrived. The fire is supposed to have been caused by the careless use of matches by some coolies who were smoking. Very little damage was done by the outbreak.

A Chinese accountant named Cha Ping-sua, who is alleged to have embezzled Tls. 60,000, was arrested by the French police at Shanghai last week and brought before the Mixed Court. Mr. T. Morgan Phillips appeared for the complainants, who are Chinese merchants in Hongkong, but on Mr. J. T. Pratt, British Assessor, announcing that a telegram had been received from Hongkong, asking that the accused be detained pending further advice, he submitted to a remand.

Mr. P. M. G. de Galembert, on return from leave, has been appointed Commissioner of Customs at Lappa. Among other recent appointments are Mr. A. Sutherland, examiner, to Amoy; Mr. W. A. Barlow Wheeler, examiner, to Swatow. Mr. R. M. Talbot, indoor assistant at Canton, is transferred to Peking. Transfers among the outdoor staff include: Acting boat officer E. T. Young from Amoy to Kowloon; T. H. Smith, acting boat officer, from Canton to Kiaochow, and J. Wacker, examiner, from Canton to Kiaochow.

Mr. Lim Chin Tsong of Rangoon has purchased the steamers *Shropshire* and *Cheshire* of the Bibby line to serve the increase of trade between Rangoon, the Straits and China. The *Shropshire* will be delivered in Rangoon during the latter days of November this year. The *Cheshire* will not be available till the autumn of 1910. Commencing with the new year a regular fortnightly run for both passengers and cargo between Rangoon, Penang, Singapore, Hongkong, Amoy and Swatow will be inaugurated with the *Glenogle* and *Shropshire* alternating.

According to the latest returns of the cholera epidemic in Korea there had been 773 cases, of which 501 had proved fatal.

The import of foreign sugar into Japan, says a Yokohama trade report reached, at one time during the last few years the enormous amount of 33,600,000 yen a year in value, while twenty or so years ago it was only 6,290,000 yen a year. Since then, owing to the development of the home industry, especially the growth of the Formosan production, the importation has gradually decreased until last year it was only 19,600,000 yen, and the decrease still continues, the imports for the past six months amounting only to 5,090,000 yen. The supply of Formosan sugar is gradually increasing, the total amount reaching the sum of 9,448,000 yen last year, while it was only 5,860,000 yen in 1905.

The *Shanghai Mercury* says that while as usual Langkats have been monopolising a good deal of the attention of dealers in stocks, the more so at present on account of their somewhat puzzling fluctuations, the thing the public appears to be really interested in is rubber. Within the last few days no fewer than three new rubber estate companies have come on the local market, and in connection with one of these extraordinary figures are reported as a result of the rush to take up shares. Within three hours, it is currently stated, the amount for the issue had been very largely over subscribed, and one hour saw applications for shares received to the value of a million and a quarter taels. This may well be described as startling, and at any rate it shows an unbounded faith in the possibilities of plantation rubber. This particular stock is understood to have been twenty times over-subscribed, and it is also known that the other companies which have been put on the market have experienced a similar rush, at least ten times the amount required being offered in one instance.

The Toyo Kisen Kaisha has just held its half-yearly meeting. The most lugubrious accounts have been published as to the state of its affairs. Thus the losses incurred during the half-year ended June 30th, totalled 74,241 yen, and the accumulated losses of previous terms were 809,700 yen, making an aggregate loss of 883,949 yen. The Japanese newspaper *Hochi* states that the Company's loans represent 9,230,000 yen, and it is responsible for bills, cheques and overdrafts amounting to 2½ millions, so that its total liabilities are 11,230,000 yen. On the other hand, its paid-up capital is 8,125,000 yen, so that its liabilities exceed its capital by 2,200,000 yen. The only accumulated fund it possesses, according to the *Hochi*, is that for depreciation of property, which amounts to 210,000 yen. As for its fleet, with the exception of its two big steamers *Tenyo* and *Chiyo*, it possesses nothing of any special value, as the three vessels *Nippon*, *America* and *Hongkong* are all 12 years old, so that their eligibility for subsidy will soon disappear, while as for the tank-steamers *Toyo* and *Buyo*, they have been lying tied up at Yokohama, no profitable employment being procurable owing to the import duty on crude oil. It has since, however, been reported that the Directors are said to have concluded an agreement with the Hoken Oil Company, by which agreement they will be enabled to use three tank steamers for the importation of crude oil, within the limits of 60,000 tons yearly at a freight of Yen 15 per ton.

THE SUBSIDIARY COINAGE QUESTION.

(Daily Press, October 11th.)

Opinion in Hongkong is as divided as it has ever been regarding the most desirable policy to adopt in order to rehabilitate the subsidiary coinage of the Colony. Discussion on the subject is revived by the Budget Statement in which His EXCELLENCY repelled the charge that the Government is apathetic in the matter and devoid of a definite policy. In the present state of public feeling it is clear that whatever line of action the Government might take would not command anything like unanimous support. Having regard to the divergent opinions of members of the Committee appointed by the Government two years ago, the Government, supported by the Chamber of Commerce and the China Association, decided for the present to defer putting into operation the recommendation passed by a narrow majority to restrict the circulation of Chinese currency in the Colony, and His EXCELLENCY derives from the issue of a recent Imperial Edict a ray of hope that the problem will presently be solved by a reform of the currency in China, the Edict enjoining that all coins now current of whatever value shall be minted of one standard of fineness and one authorised pattern. His EXCELLENCY added that during the coming year the Government would be able to judge whether events justified them in continuing the policy of waiting, or in adopting some alternative. As regards the possibility of any change in China of the nature indicated by His EXCELLENCY the following extract from the chapter on Currency in Mr. MORSE's book on the "The Trade and Administration of the Chinese Empire" is much to the point:—

The Government of China will welcome any measure that will set a limit to the amount which it must take from its revenues to pay the indemnities due to the Foreign Powers; and, as a corporate entity, may be willing to have a uniform currency in which the revenue may be paid and received. No other element of support can be brought in by any flight of the imagination. All the vested interests in China will be against the change. The members of the Government as individuals, from the highest Minister of State in Peking to the humblest assistant-deputy sub-district magistrate, will give it their tacit, if not openly-expressed, opposition. The tax-collector, with his assistants and his servants, and backed by his family to the third and fourth generation, will fight strenuously against any obligation to pay into the Treasury the exact coin which he has received from the taxpayer. The powerful body of Chinese bankers, organised as such when Europe did not yet know the science, will accept the change only if they are shown the possibility of greater profits than under existing conditions. The compradore and shroffs may be trusted to do their best to resist any attempt to curtail their privileges and profits. Even the native merchants and tradesmen who will benefit enormously by simplification of the currency, will also oppose a change from the present system, in which each man counts confidently on getting the better in the encounter of wits. Ordinarily the proletariat remains neutral in such a question: but in China the merest coolie, earning sixpence by a long day of hard work, will spend an hour of his time to gain on exchange the equivalent of ten minutes' work.

This being the case, we can have no confident hope of seeing a national currency in China in our time, and the Government of Hongkong, therefore, may as well put their alternative policy into force at once. But what is the alternative to this policy of waiting on China? His EXCELLENCY says the vigorous repression of Chinese currency, while it would no doubt result in

the rehabilitation of our small currency, would also probably result in a great influx of that currency from China, and compel us to large measures of demonetisation which at the present time our finances can ill afford. That is the point to which the critics of the Government should address themselves. The position is that between forty and fifty millions dollars' worth of Hongkong's subsidiary coinage has been drained from the Colony into China. How much of it is still in circulation, and how much has been melted down are questions which cannot possibly be answered. That is the main difficulty. If the Government prohibits the circulation of Chinese currency in the Colony it means, as the GOVERNOR says, the influx of Hongkong currency from China. The question we should like to see answered is: Would this necessarily compel the Government to large measures of demonetisation? What does Mr. SHEWAN say to this? Would he consider it sufficient for the Government to go on demonetising just so much as it annually receives into the Treasury as Government revenue? Obviously that would not be a satisfactory solution of the problem, for it might take a generation at that rate to rehabilitate the currency. If only a tenth of the coins which have left the Colony were returned, the subsidiary coinage evil, it seems to us, would be as bad as ever it was, unless large measures of demonetisation are adopted. We doubt if the community would welcome any additional taxation for this purpose, however generally the evils incident to the depreciation of the coinage are recognised and deplored. If the Colony's subsidiary coinage can be rehabilitated by the repression of the Chinese currency without additional cost to the taxpayers, then an effort in that direction would command wide, though evidently not unanimous, support. The case for action by the Government is that cheapness is essential to the prosperity of the port. A depreciated currency results in the increased cost of commodities, often to an extent which more than covers the discount on the coinage. Wages are forced up as a consequence of the increased cost of living, and in the result a depreciated coinage becomes a serious tax on the trade of the Colony. Many there are who doubt whether there would be a return to former prices and rates of labour, if the currency were rehabilitated. It is said that, of course, the Steamboat Company and a few other large concerns which have put up their prices to cover the present loss would reduce them again; but would prices generally, of labour and commodities, respond? Prices of commodities, it seems to us, must respond to the extent of the appreciation in the value of the currency, but wages when once they go up take a much longer time to go down again, and it would probably be long before the full benefit of the rehabilitation of the subsidiary coinage would be obtained. But in time it would surely come. The effort is certainly worth making, and we hope the Government may soon find the right path to the goal.

The Y.M.C.A. had a successful social meeting on Saturday night. An excellent programme was sustained by Mrs. Goldsmith, Miss Pearce, Messrs. R. E. White, W. Anderson, J. W. White, A. A. Claxton, A. S. Kempthorne, and E. B. Ayris. A feature of the evening was a smelling competition, participants having to guess the contents of thirteen bottles by smelling them. The prize was awarded to Miss Nicholson, who guessed ten out of the thirteen correctly.

FREE TRADE.

(Daily Press, October 12th.)

It is to be regretted that in their zeal to counteract the damage done to British interests by the (falsely, so-called) Free Trade of their opponents the leaders of the Unionist Party in England should have pledged themselves to return to what practically can scarcely be distinguished from rank Protectionism. The complaint of the country has been that under the title of Free Trade the rump of the Cobden Club has really been supporting a policy of Protection under its very worst form, that of bounties, and in so doing has been protecting the foreign producer against our Home industries; which to a considerable extent it has succeeded in rendering unprofitable, and in some cases has practically extinguished. It was with no intention of inviting a return to Protection that Mr. CHAMBERLAIN first drew the attention of the country to the injury being inflicted by this insidious attack on British industries. As the ablest Minister who had ever presided over the Colonial Office he had experience of the evils resulting from want of harmony in the past between Downing Street and the Colonies, more especially in financial matters; and this probably it was that directed his attention to the attempts being made on the Continent, and more especially in Germany, to exploit, contrary to the interests of the nation at large, and for their own benefit, the trade with our Colonies. So far had this been, under the pretence of Free Trade, permitted to proceed that on one occasion Germany actually conceived herself entitled to interfere in a matter of private tariffs between Canada and the Home country, which fortunately was promptly repressed by the Government of the day. In the West Indies again the system of bounties on the Home production of sugar had been raised to such a pitch that it became a matter of life or death for several of the islands; and it actually became necessary for the Home Government to make a temporary money grant to restore the damaged finances of these Colonies. In many of our Home industries it was found that by bounties direct or indirect, or by reduced railway or steam packet rates paid for by the Government, Germany was engaged in an attempt to undersell the British manufacturer, with the object of transferring the industry to her own territory. Now, while it is quite true that in doing this Germany many was perfectly justified according to the accepted rules of mercantile morality, still, the process was not one of Free Trade, but was essentially one of Protection in its most objectionable form, that of direct stimulation by money grants. The essential principle of Free Trade is the removal of all unnecessary charges on the circulation of commerce, so that the goods of any country or district shall have a fair chance of competing with others all round in the markets of the world, unhampered by artificial barriers. In this sense all tariffs are, of course, a burden on commerce, it may be a necessary burden; but in this case the nearest approach we can make to ideally perfect Free Trade is that there shall be no unfair nor discriminative duties. The one exception which the common-sense of humanity has made practically universal, is that no country (except perhaps China) levies duties on goods in transport within its own territory, which would, of course, be merely robbing Peter to pay Paul.

As the requirements of government and good order in all countries require the expenditure of large sums of money revenue is absolutely necessary, and by long experience all countries have found that up to a certain

extent one of the least pressing sources of revenue is a duty raised from imports; and provided that the burdens were fairly distributed this has always been held to be quite consistent with the principles of Free Trade, and amongst others our Colonies without exception have adopted this system of tariff for revenue. On the other hand, the Home country, as not many years ago finding itself the larger producer and exporter, had learned from experience that lower duties on what it had to bring from abroad reduced the cost of production, and accordingly set itself to remove the duty on the great majority of its imports. So long as foreign countries were content to accept the situation our exports had an undoubted advantage in the markets of the world, and the wealth and population of the country grew by "leaps and bounds." We had no object in promoting preferences, and we were content that all should share alike.

The first promoters of Free Trade had reasoned all this out, and, their premises being undoubtedly correct, the foreseen results duly came about, and a period of marked prosperity followed, but even at the start there was seen a rift in the lute. The Home population was increasing, and the problem of food, aggravated by bad harvests, became a pressing one. It was indeed this pressure that finally prevailed in the acceptance of the Free Trade doctrine. To prevent the Home-lands being thrown out of cultivation, when they were competent to feed the entire population, heavy duties on foreign food stuffs had been imposed. With increasing population and bad harvests, the feeding of the workers became a matter that could not be neglected; after many efforts, and the lapse of years, the necessity of freeing food supplies could no longer be resisted, and this it was that resolved the nation to adopt the policy of freedom of import all round. As above stated, it was perfectly successful, so far as things went on in the old routine. The not perhaps unnatural result was that the principle of Free Trade was elevated into a fetish, which all were expected to bow down to and worship; and it became a subject of wonderment to its votaries why the whole world did not accept unquestioned the new Cult.

Perhaps it was the very fact that the manufacturing industries of the world were one after another being transferred to British soil that aroused the fears of the continental peoples; at all events, Free Trade to Britain's advantage did not commend itself, and gradually nearly all the continental peoples returned to undisguised Protection, but with comparatively little effect. It was under these circumstances that a new departure was determined on. Great Britain had grown rich because under the stimulus of cheap production she was able to underbid her rivals. She had so effectually occupied the land that a resort to similar methods would not be sufficient; still it was seemingly possible that by cheapening production by grants of money direct, German manufactures might be artificially hatched. The case of sugar was an instance in point. After the Napoleonic wars a vast amount of soil was left untilled for want of a market for the crops; might it not be brought again into cultivation by utilising it to grow beet, from which the chemists had proved that it was possible to extract sugar? True, it could not compete with the cane sugar from the West Indies, but that could be remedied by putting a bounty on it; the State would be repaid by the increase of population thereby induced. The scheme proved so far successful that it afforded an object lesson, which at once appealed to the nation; and it was deter-

mined to apply the same principle to manufactures generally.

Nothing, of course, could be further removed from the principles of Free Trade; but Germany reasoned, what had Free Trade ever done for her? It had on the contrary thrown the trade of the world into the hands of Great Britain. Unfortunately, as we mentioned above, Free Trade had in England grown into a fetish, but in the process its object had been forgotten; and it had come down to be merely an unreasoning antipathy to Customs duties of all kinds. The new race of British Free-traders saw in the movement nothing more than an opportunity of procuring cheap goods; the fact that the cheapness came from the especial horror of all good free traders, State bounty was carefully blinked. The Cobden Club was, in fact, supporting actively what COBDEN in his lucid moments had stigmatised as the greatest of economical sins! The consequence was the bankruptcy and partial ruin of the West Indian Colonies, and the necessity of spending good money to restore some sort of prosperity. But one financial sin paves the way for others as clearly opposed to the fundamental principles of Free Trade. The import of cheap bounty-fed sugar gave rise to a new industry in England: it rendered possible the manufacture of cheap confectionery; and England began to manufacture for export this artificially produced commodity. It need hardly be said that the trade was not a wholesome nor a legitimate one, depending as it did on alien State aid, and existing at the cost of the impending ruin of our once most prosperous Colony. But the absurdity of the position had not yet been reached in full. A Unionist Government, mainly through the influence of Mr. CHAMBERLAIN, had succeeded in showing some of the continental Powers the suicidal effect of the bounties, and with their goodwill had placed a countervailing duty on the bounty-fed sugar imported. One of the first acts of a professed Free Trade Government on its accession to office was, under pretence of restoring freedom of trade, to remove the duty; and here comes in the most absurd part of the entire proceeding. The removal of the duty was actually accomplished at the demand of the confectionery manufacturers, and was demanded by them on the ground that without the bounty cheap beet sugar was impossible, and the continuance of the duty meant the decay of the bounty-fed industry. Such was the result of the first pretended Free Trade Budget. The important fact that the maintenance of the artificial industry was being carried on at the cost of the West Indian Colonies, who were being bled to support it, was by the new generation of would-be Cobdenists forgotten, or conveniently ignored.

Now the unfortunate part of the present agitation for Tariff Revision is that its advocates, from overzeal, probably, as well as from ignorance of the accepted truths of the fundamental principles of freedom of trade, show themselves as incapable of appreciating the true financial conditions. There are certain fundamentals which are indisputable, but the tendency, since the time, at least, of J. S. MILL, has been to confuse these under a mass of heterogeneous conclusions, which are by no means fundamental, but merely accretionary; and it is round these points that controversy has been centred. Free Trade, though the principle is undeniable, has to be altered in its details to suit changing conditions. What under certain conditions we have seen may be Free Trade, under others may become unblushing Protection. This is the fact which in the present moment of heated controversy both

sides have forgotten, and the Unionist camp has been in consequence split into two from simple want of knowledge. The country does not desire Protection, and wishes to be relieved of ill-effects—all the worse that they are forced into it under the false assumption of Free Trade.

A DIPLOMATIC INDISCRETION.

(Daily Press, October 13th.)

The telegram which explains the recall of Mr. CRANE when he was on the point of embarking at San Francisco for China to take up the post of United States Minister to Peking, is unmistakeable confirmation of the rumour that the United States Government entertains serious objections to the Agreement concluded five weeks ago between Japan and China regarding Manchuria. We are not acquainted with the nature of the statement alleged to have been made by Mr. CRANE at Chicago, but we may venture to draw from this morning's telegram the conclusion that the cables which have been reaching Japan within the last few weeks are based on the offending utterance attributed to the new Minister. One telegram dated from San Francisco, September 28th says: "The United States Government is reported to be actively engaged in preparing a protest to the Japanese Government regarding the new Manchurian agreement between Japan and China. The United States Government is taking this action in support of the principle of the 'open door,' based on the treaty signed by the late Mr. HAY ten years ago. The United States Government is now engaged in collecting the necessary information from Tokyo and Peking to form the basis of the protest." Evidently this was information not intended for the ears of Japan just yet; for it appears the Government of the United States, before making representations to Japan desired the new Minister to sound the Ministers of other Powers at Peking with a view to ensuring the support of at least a majority of the Great Powers which accepted the Open Door policy. We gather from the statements published in America that the Government has strong objection to Articles III. and IV. in the Agreement, granting to Japan mining concessions which are held to defeat the principle of the "open door" that all principal Powers have definitely undertaken to maintain. By Article III. the Chinese Government recognises the right of the Japanese Government to work the coal mines at Fushun and Yuentai, and the Japanese Government on their part undertake to respect the full sovereignty of China and pay to the Chinese Government a tax on the coal produced in those mines. If the Powers have any objection to this particular article, it ought to have been raised three years ago, for "all coal mines" in the regions of the railway were definitely ceded to Japan by the Portsmouth Treaty, and the new Agreement simply requires an acknowledgment of Chinese sovereignty by the payment of a royalty on the coal taken out of the mines. Article IV. is more open to question. It reads: "All mines along the Antung-Mukden Railway and the main line of the South Manchurian Railway, excepting those at Fushun and Yuentai, shall be exploited as joint enterprises of Japanese and Chinese subjects upon the general principles which the Viceroy of the Eastern Three Provinces and the Governor of Shingking Province agreed upon with the Japanese Consul-General in 1907." How far these "general principles" may mitigate this clear infringement of the Open Door policy we are unable to say, as the document in question has not

been published with the Treaty. But America has a special grievance. It appears that during Mr. Root's term of office as Secretary of State, memoranda were exchanged between him and BARON TAKAHIRA, then Japanese Minister at Washington, by which the Japanese Government engaged itself not to take any action which conflicted with the principle of the "open door" without first consulting the United States. The exclusion of all foreign mining enterprise within the railway zone would clearly defeat the principle of the open door in Manchuria and form a legitimate ground for protest by the Powers. We may presume Japan's reply would be that the Agreement does not conflict with the Open-Door principle, for only on that ground can Japan excuse her neglect to consult the Government of the United States in accordance with the terms of BARON TAKAHIRA's memorandum. Therefore, Japan's explanation of the situation will be awaited with much interest.

BRITISH INTERESTS IN CHINA.

(Daily Press, October 14th)

While British residents in the Far East have been naturally interested by the persistent manner in which the indefatigable Mr. GINNELL has been drawing the attention of the House of Commons to China questions, they certainly will decline to acknowledge that he is representing their views in Parliament in the majority of the questions he has lately been asking. Some of the hon. member's previous questions—those especially which have related to the British section of the Canton-Kowloon Railway—have made us extremely curious to learn the secret of Mr. GINNELL's interest in affairs in China, for, so far as we are aware, the hon. gentleman has not resided in the East nor has he any business interest in this part of the world. Hongkong was becoming quite kindly disposed towards Mr. GINNELL, for his questions regarding the Colony's railway undertaking had suggested the idea that they had been prompted by a kindly solicitude for the protection of the pockets of the taxpayers. But the last batch of questions, which we reproduced in the *Daily Press* a few days ago, can leave no doubt in the mind of the reader as to the source of the hon. member's inspiration. His prompters are certainly not British, but Chinese. No Britisher, for instance, would refer to His Majesty's Indian troops in China as troops of an inferior race. Their presence may be resented by the Chinese, but not more so than is the presence of the white troops, and we are glad to note Sir EDWARD GREY's spirited repudiation of Mr. GINNELL's description of the Indian troops. Still more reprehensible and disgusting are the base and offensive imputations some of the other questions embody against British probity and honour, made upon statements which in several instances were shown to have no foundation in fact. Having regard to Mr. GINNELL's claim to voice in these questions the views and opinions of the Chinese Government on so many different topics, one might draw the inference that the questions had been inspired by the Chinese Legation in London. The replies which some of the questions elicited are certainly very interesting.

First, let us take the inquiries with regard to Weihaiwei. We know from the frequent references to the subject which have appeared in the Chinese Press that there has been a desire in the highest circles in China to see Weihaiwei restored to China as a naval base for her own fleet, though we have reason to believe that—all statements to the contrary

in the Chinese Press notwithstanding—no formal request for its retrocession to China has been made. Since Russia was driven from Port Arthur many questions have been asked in Parliament as to the Government's intentions regarding Weihaiwei, but on no occasion has any announcement been made so definite in its terms as that contained in Sir EDWARD GREY's reply to Mr. GINNELL's inquiry. By the Weihaiwei Convention China agreed to lease Weihaiwei to Great Britain "for so long a period as Port Arthur shall remain in the occupation of Russia." Sir EDWARD GREY's announcement is that "the lease of Port Arthur has not terminated," and he added that in any case he would not be prepared to enter upon any discussion of the question except with the Chinese Government *when the proper time arrived*. Evidently a nice legal question is raised by this reply, viz., Can Port Arthur be considered as remaining in the occupation of Russia, when as a matter of fact Japan not only wrested Port Arthur by force of arms, but Russia, by the terms of the Portsmouth Treaty, definitely transferred and assigned the lease of the territory to Japan? Though Sir EDWARD GREY is clearly correct in saying that "the lease of Port Arthur is not terminated," it cannot be held, except by some legal fiction, that the occupation of the place by Russia has not terminated. We may note here that it was provided in the Portsmouth Treaty that the two contracting parties should mutually engage to obtain the consent of the Chinese Government to the transfer. We are not aware that they have ever succeeded. Perhaps that is where the legal fiction comes in: Russia may be considered to be still the lessee so long as China withholds her consent to the transfer. This is pure supposition on our part, but it seems to give a key to the situation.

Taking next the Boxer Indemnity Question, the answer of Sir EDWARD GREY contains an implied suggestion that the United States Government were able to return to China about half the indemnity without saddling the Treasury with any part of the expense incurred by the American troops which assisted to put down the Boxer rising. That suggestion has been made before, unofficially in the newspapers, and we have never seen it authoritatively denied. "The British claim," Sir EDWARD GREY said, "was assessed as far as possible only on the basis of actual expenditure. Should it eventually be found when fully liquidated that there is any surplus, it will be returned to the Chinese Government, and its disposal would be left to their discretion." The suggestion is that this is all the American Government has done, and nothing more. The thought will no doubt occur to many that the British Government is taking a long time to liquidate a claim incurred nine years ago, but we presume the explanation is that the continued expense of maintaining an extra force in North China for the preservation of order is a legitimate charge upon the indemnity, and that therefore the expense incurred by the Boxer trouble will not cease until all the additional troops placed in North China as a consequence of the Boxer outbreak shall have been withdrawn. Unless that is the case, the long delay in liquidating the bill cannot be understood. But it is difficult to reconcile this theory with the statement that "these troops are maintained at the expense of the country to which they belong, and not of China." Some further explanation of the matter therefore seems to be necessary.

We need not further discuss Mr. GINNELL's latest questions on matters connected with British railway enterprise. Those

questions were largely based on inaccurate information, and, embodying as they do the most offensive imputations, we can leave them under the dignified rebukes administered by the Under Secretary of State for Foreign Affairs. If Mr. GINNELL had a more intimate knowledge of China he would know that if certain railways are proving unremunerative the responsibility rests largely, if not entirely, on the Chinese Imperial and Provincial authorities. We have on more than one occasion called attention to the disastrous effects upon railway revenue brought about by the eccentricities of the provincial *Likin* authorities, and, as Mr. GINNELL has made particular reference to the Shanghai-Nanking railway, we may suggest that a study of the paralysing effects of the *Likin* system on the traffic of this line will enable him to understand why certain railways in China are not proving the highly remunerative enterprises they were expected to become.

THE DOMINANT POWER IN ASIA.

(Daily Press, October 15th.)

An article has appeared in the *Revue des deux Mondes* from the pen of General NEGRIER, which calls attention in a very forcible manner to the effects that are likely to be produced by the dominant position in the East which has been acquired by Japan. The writer displays an intimate acquaintance with the past history and the present state of that country, and although the essay is of a speculative character, and General NEGRIER carefully refrains from committing himself to any definite conclusion, the facts are set forth in such a manner that there can be very little doubt as to what his own view of the subject must be. The key note of his disquisition is to be found in a single sentence near its end: "The true conqueror at Tsushima, Port Arthur and Mukden was the Old Japan. Her triumph has given her a new energy, she has confidence in herself and believes in her destiny to regenerate the peoples of the East. When such aspirations seize a nation of 52,000,000 people, changes in the political geography of the world are the probable consequence." The writer evidently views with apprehension the increase of the power of Japan, and, though he carefully refrains from saying so in so many words, he is clearly of opinion that China is the "objectif" towards which the renewed energy of a people when he describes as "bellicose" is likely to be directed. The figures that are given as showing the increase both in the Navy and the Army in Japan would seem undoubtedly to support the idea which is thus set forth by General NEGRIER. He points out when in Europe the Dreadnought type of vessel was hardly known, Japan had already launched two battleships of the most powerful order, the *Satsuma* and the *Aki*, each of 19,400 tons, designed and constructed entirely on the Dreadnought lines. He goes on to express the opinion that a communication which was sent to the papers in 1909 by Admiral SPERRY, Commander of the American fleet, to the effect that the Japanese fleet did not possess any offensive force and was incapable of any serious action in the Pacific and away from the Japan Coast, was founded upon error. It was true that, as he stated, Japan was re-making the captures from Russia during the late war, but this did not represent in any way her naval strength, being rather a supplementary addition to it. With respect to military matters, he points out that the Japanese have not failed to learn some valuable lessons from the late war, but a general plan for ameliorations has been set on foot,

among them the providing of all the infantry regiments with six "mitrailleuses," and they have also introduced regulations for the infantry, which will greatly increase its efficiency. One element which is likely to increase the warlike power of Japan is set forth with great clearness by General NEGRIER. He says that it is impossible to ignore that the war in China in 1900 was a serious blow to the prestige of foreign troops. When the Powers found their representatives imprisoned in the Legations at Peking, and on the point of being massacred, and sent forces to their aid, the first to arrive were the Japanese, and the result of their intervention was altogether unforeseen. Close contact with European troops diminished their respect for them, and they observed that they were much slower than themselves in rushing forward, and concluded that they thus displayed less energy and valour. Whether such a conclusion was right or wrong, it was certainly an unfortunate one, from a European point of view, to be arrived at seeing how great a part our *prestige* has always played in the East. The General goes on to point out that the old spirit of loyalty and discipline which is embodied in the *Bushido* has by no means ceased to exist in Japan, and that in point of fact it is that spirit which actually animates its forces, and would be found in full vigour should occasion for its display again arise. A hint is given that the Japanese may not have forgotten the humiliation which they suffered from the European intervention after their last war with China, which interference deprived them of the fruits of victory; and that they may be preparing to resent it. This is not an unnatural idea, on the part especially of a military writer—but fortunately there are many considerations which leave room to conclude that Japan is little likely to come into conflict either with America or with any European Power, if she can avoid doing so. What is more likely to be in the minds of the Japanese is simply the necessity of putting themselves in a position not to be dictated to again; and in this they will certainly succeed. Their real difficulties are, of course, likely to arise in connection with China, but even in this direction they have not shown an unwillingness to listen to reason; and in our opinion it would take a great deal to bring about another Chino-Japanese war. No doubt Japan intends to have a dominant position, but it does not follow that she will unduly use it.

PROPOSED AMENDMENT OF THE LIQUOR LAW.

(Daily Press, October 15th.)

No sooner was the Ordinance imposing a tax on intoxicating liquors passed than the discovery was made that it needed further amendment, and a short Bill has been prepared for that purpose. As usual, there is a "Memorandum" by the Attorney-General attached to the Bill explaining the objects of the two urgent amendments, but no reason whatever is offered for the repeal of Section 9 of the principal Ordinance, which licence holders had regarded as an important and very necessary section. It provides that no removal permit shall be issued to any person who does not hold a licence which entitles him to deal in the liquors covered by the permit. The Regulations to be made by the Governor-in-Council under the recent Ordinance were intended to give power to the Superintendent to grant licences in certain cases, and it was enacted that the fee for this licence "shall be such sum not exceeding one hundred dollars as

may be fixed by such regulation." This section would operate, of course, against the private importer—the clubs, messes, &c., who pay no other licence fee to the Government. That being so "the trade" view this section with much satisfaction, and consequently are not a little astonished and alarmed by the Government's intention to repeal it. Surely the reasons for this important change should have found a place in the "Memorandum" attached to the Bill. It has been represented to us that owing to the stress of competition the wine and spirit merchants are not fully recouping from the consumer the additional expenses put upon them by the new Ordinance; they have merely added to previous retail prices the actual amount of the tax, and are themselves bearing the very considerable expense connected with the bonded warehouse arrangements. One local merchant informs us that a conservative estimate of these costs in his case would be two thousand dollars per annum. Hence there is a strong feeling that those who pay heavy licence fees for the right to deal in liquors may reasonably ask the Government to give them the fullest protection against private importers, whose numbers under existing circumstances, may be expected to grow if they are relieved of the obligation to take out the licence contemplated in Section 9 of the new Ordinance. An explanation of the proposal to repeal this section would therefore be of interest to a considerable number of people in the Colony.

RANDOM REFLECTIONS.

Now that the summer of our discontent is over, we are beginning to feel the joy of life. The blood has a tingle as it courses through our veins these mornings, and we wake up feeling the benefit of a cool and refreshing sleep. Summer has its pleasures, no doubt, but for sheer pleasure of living give me winter with its crisp days and its atmosphere as exhilarating as good wine.

The event of the week was, of course, the Budget speech; when His Excellency the Governor eclipsed his previous best performance by a column or two. Nine columns of solid oratory! It is enough to make any man cease his subscription.

It is curious to note that although most of the newspapers agreed that the speech was very lengthy one journal is of the opinion that it was not quite long enough, or rather that he didn't say the things that he ought to have said. It's too bad to charge the Governor with sins of omission as well.

Whether it was the merry compositor that was responsible or not, I can't say, but I noticed one newspaper referred to the military contribution as the mail contract, and another euphemistically brought the gaol under the category of charitable institutions.

Most people have ideas about the subsidiary coinage question, and of course it helps us to understand the true inwardness of the saying that in the multitude of councillors there is confusion of thought. The attitude of the Governor standing by to see which of the protagonists in the coinage campaign would emerge victorious is a safe one, but in the circumstances he cannot be blamed. Until those who complain know what they want or agree to what is desirable it is hopeless for the Government to attempt to interfere. They can only sit tight and await developments.

While the community is reflecting on the Subsidiary Coinage Question, let's take a long view and reflect on the difficulties to be encountered on the jointly administered Kowloon-Canton railway. Will this railway department of the Government refuse Canton currency when tendered for tickets at this end, just as they do

when it is tendered for stamps at the Post Office? Or will the Chinese authorities agree to put up the fare to cover Hongkong's loss on exchange? Eh? An interesting question to be sure.

While the Retrenchment Committee were so busy recommending economies in every department which did not concern themselves, it struck me that the scope of their reference might have been extended. I noticed that His Excellency approved of the proposition to rebuild two of the government pavilions on the Peak used by the higher officials. Why these officials should have such a concession I have never been able to understand. If they should fall sick they are ordered off to Japan and if they struggle through their four or five years' service they enjoy a long furlough at home drawing sufficient of their salary to make their holiday the success that a liberal allowance ensures.

The villas for the lower class of civil servants represent money well spent, but why the Government establishments on the Peak should not be made lucrative in the winter is what I have failed to understand. It seems to me that instead of allowing one or other of the higher placed officials, who are well able to pay for house rent, to live in one or other of those pavilions through the winter rent free, the Government should charge a rent for them, as they are entitled to do, and obtain a fair proportion of the interest expended on the capital. For instance, the four places I have mentioned could be let for at least \$50 a month each, plus the usual charge for the use of the furniture. There you have \$200 a month, or \$1,200 in six months. This may not have come within the purview of the Retrenchment Committee, but as they are charged with effecting economies wherever possible they might give the subject their attention.

There are certain features in the draft estimates which give us furiously to think. For instance, we see that the \$400,000 which was the original estimate of the Law Courts has become \$796,200 in the revised estimate, while the original estimate of \$500,000 for the construction of the Post Office has been practically doubled, being now \$930,000. We have had an explanation of the remarkable increase of the cost of the railway over the original estimate. Why should there not be some explanation of these big differences?

We are often told that the road to a certain place is paved with good intentions, but what brings the subject to my mind at present is the request of some people in Manila to the Municipal Board to repair certain roads, and they promise that the good folks will requite their kindness by saying three Santa Marias a day for one month for their benefactors. I am afraid the Board will want something more substantial than prayers before undertaking such a work.

A smelling competition was one of the attractions provided at the Y.M.C.A. social on Saturday night. Competitors had to guess the contents of thirteen bottles by merely holding them to their noses, and I believe all sorts of violent odours assailed the olfactory nerves of those who essayed to win the prize. It has occurred to me that such a test would not be a bad one to apply to Sanitary inspectors, and I commend the idea to the Department.

Fair play is a jewel. Why should Post Office trucks be allowed to stand practically in the middle of Pedder Street for the greater part of the day, causing an obstruction, while if any tradespeople were responsible for the same they would be promptly summoned? Have the police received orders to discriminate in the matter? I know it would be a horrible bore for the Postmaster-General, who is also Colonial Treasurer, to attend at the Magistracy, and pay a fine. As Postmaster-General he might object, but as Colonial Treasurer he could not cavil at the Treasury receiving even the five dollars which the indulgent magistrate might mention as the minimum penalty.

RODERICK RANDOM.

HONGKONG.

The General Manager of the Kowloon Railway is to receive a salary of £2,000 a year.

The appointment of Mr. C. F. W. Bowen-Rowlands as secretary of the Sanitary Board has been confirmed by the Secretary of State for the Colonies.

We understand that two more natives have been arrested in connection with the murder of an Indian police sergeant and constable near Autan in the New Territory.

A lukong, who assaulted a colleague because he woke him up and informed him that a larceny had taken place on his beat, was at the Magistracy on Oct. 14 fined \$25 by Mr. Wood.

At the Magistracy on Saturday Mr. J. R. Wood imposed a fine of \$100 on Aryn, alias Yala, of Messrs. Sassoon and Company, for unlawfully attempting to levy a distress warrant and acting as a bailiff.

Oct. 10th was the anniversary of the birthday of Confucius, and an occasion for general rejoicings in the Chinese community. The principal thoroughfares of the city were bright with flags, the Yellow Dragon being conspicuous in the display of bunting.

His Majesty the King has not been advised to exercise his power of disallowance with respect to Ordinance No. 19 of 1909, entitled—An Ordinance to amend The Stamp Ordinance, 1901, as amended by The Stamp (Amendment) Ordinance, 1902.

A party of detectives in charge of L. S. Murphy went on board the s.s. *Eastern* on Wednesday in order to arrest a certain Chinese. They did not find the man they wanted, but they discovered six stowaways on board, who were brought before the Magistrate yesterday and remanded.

Mr. Mackie, first interpreter at the Magistracy, having been transferred to the Supreme Court, Mr. M. Hussain has been appointed to the vacant post, and Mr. Sung Tsui Lun has been promoted to the position of second interpreter.

From the draft Estimates we learn that the pension of Mr. Justice Wise is £826 13s. 4d. per annum, payable at an exchange of 3s. 8d. His pension therefore amounts to \$4,509.10. Mr. Dyer Ball's pension is given in the Estimates as \$2,448. The total amount of the civil pensions in the Estimates for next year is \$166,000.

Ten female gamblers were arrested for playing fantan at 54A. Peel Street on Thursday night, and on being taken to the Central Police Station were admitted to bail. Only four appeared before Mr. F. A. Hazeland at the Magistracy on Oct. 8, two of whom were fined \$250 each, and the other two \$5 each. The bail of the six who did not appear, amounting to \$75, was estreated.

Three men, captured in a fishing boat which had been stolen from Dumbbell, were charged before Mr. J. R. Wood at the Magistracy on Oct. 8th with larceny. Their excuse was that they took the boat to go in search of a man from whom they wished to borrow some money. The defendants were convicted, and each man was sentenced to three months' imprisonment with hard labour and six hours' stocks.

An extract of meteorological observations made at the local Observatory during the month of September shows that the average maximum temperature was 87; the average mean temperature, 82.2; and the average minimum temperature, 78.5 degrees. There were 202.6 hours of sunshine for the month, while the rainfall was 8.505 inches.

Return of the average amount of bank notes in circulation and of specie in reserve in Hongkong, during the month ended 30th September, 1909, as certified by the managers of the respective banks, are as follows:—

| BANKS. | AVERAGE SPECIE IN AMOUNT. | RESERVE. |
|--------------------------|---------------------------|--------------|
| Chartered Bank of India, | | |
| Australia and China | \$3,782,562 | \$4,000,000 |
| Hongkong and Shanghai | | |
| Banking Corporation | 12,777,040 | 13,000,000 |
| National Bank of China, | | |
| Limited | 53,265 | Nil. |
| Total | \$16,612,867 | \$17,000,000 |

Mr. de Margerie, the new French Minister to Peking, is at present staying in Hongkong.

Mr. J. Bribosia, the Belgian Consul in Hongkong, shortly goes to Seoul as Consul-General at the Korean capital.

During the week-end twelve bolts of canvas were stolen from the godowns of Messrs. Shewan, Tomes and Company. Their value amounts to \$201.96.

Two fishermen from Tai O were at the Magistracy yesterday fined \$50 for fishing with dynamite, and two others for being in unlawful possession of dynamite were fined \$20 each.

Three shopkeepers whom Inspector Gourlay charged before M. F. A. Hazeland at the Magistracy on Oct. 12 with retailing goods with unjust scales were fined \$35, \$20 and \$15 apiece.

The only cases of communicable disease reported in the Colony last week was one Portuguese case of enteric fever and one Chinese case of puerperal fever.

A Japanese who was caught shooting at wild birds on the Wongneicheong Road on Sunday without a licence was fined \$5 by Mr. J. R. Wood at the Magistracy on Oct. 12.

A Chinese salesman who had bought a concubine for \$200 on Thursday appeared at the Magistracy to prosecute her on a charge of having stolen \$200 belonging to him. The case was adjourned.

Mr. H. H. Fox, late Consul-General at Canton, and Mrs. Fox, who for the last week have been the guests of His Excellency the Governor at Mountain Lodge, left by the French mail steamer for the North on Oct. 12, to take up the appointment of H.B.M.'s Consul at Wuhu.

Mr. F. A. Hazeland learned at the Magistracy on Tuesday that it is too much trouble for Peak chair coolies, either in scorching heat or pouring rain, to attach the covers to their chairs. As the result of complaints to the police, twenty-four chair bearers were charged before his Worship, and each man was fined \$1.

Two natives appeared before Mr. F. A. Hazeland at the Magistracy on Oct. 12th on charges of contravening the provisions of the Arms Ordinance. One defendant, who was in possession of a rusty revolver and 107 rounds of ammunition without a licence, was fined \$25 or one month's imprisonment, and a similar sentence was passed on the other defendant, who claimed 76 rounds of ammunition which the police seized.

Not often are proceedings at the Police Court so protracted as they have been over the trade marks case at present before the Court. Yesterday was the twenty-fifth day of the hearing and it was not concluded then. The case is one in which the King Wo firm of Canton, having patented their cough stop pills in the Colony, took proceedings against a shopkeeper in Queen's Road for infringing the trade mark.

The water return to the 1st inst. shows that the storage on the island amounts to 575,529,000 gallons as compared with 747,340,000 gallons on the same date last year. The consumption was 20.7 gallons per head per day during the month of September as against 23.1 in the corresponding month of last year. At Kowloon the storage on Oct. 1st was 240,417,000 as against 196,700,000 on the same date last year, and the consumption during September 9.3 gallons per head per day as compared with 11.3 in September last year.

A ricscha coolie was charged before J. R. Wood at the Magistracy on Oct. 12 with the larceny of a gold-mounted umbrella. A sergeant-major of the Royal Engineers and his wife took ricschas from Queen's Road East to D'Aguilar Street. The lady alighted first, leaving her umbrella in the vehicle. The coolie must have been attracted by the glitter, for he dashed along Queen's Road without waiting for payment. The umbrella, however, was not then missed, and the husband of complainant paid the other ricscha coolie two fares. Later the lady discovered her loss, and the matter was reported to the police. The missing coolie was apprehended, but denied stealing the umbrella. The police searched his house, and the missing article was found under the staircase. His Worship sentenced the defendant to one month's imprisonment with hard labour.

SANITARY BOARD.

A meeting of the Sanitary Board was held on Tuesday at the Board Room. Mr. E. D. C. Wolfe presided, and there were present: Hon. Mr. P. N. H. Jones (Vice-President), Hon. Mr. A. W. Brewin (Registrar-General) Dr. Fitzwilliams, Mr. Shelton Hooper, Mr. Lan Chu Pak, Dr. F. Clark (Medical Officer of Health), and Mr. W. Bowen Rowlands (Secretary).

CLEARING OF BRUSHWOOD.

A letter from the Sanitary Board, addressed to Government, was in the following terms:—I have the honour, by direction of the Board, to report that the following resolution was adopted by the Board at a meeting held on the 31st August last: "That in the interests of the public health of this Colony it is desirable for the Government to clear up all brushwood from Crown land in the close proximity of dwelling houses which is likely to be detrimental to the public health owing to its harbourage of mosquitoes on the ground that the existence of such brushwood is a nuisance detrimental to the public health. The cost of such work to be paid for out of the public funds, and that where such brushwood is on private land the owners be called upon to clear it at their own expense."

"I attach the *Daily Press* report of the discussion of this matter."

The reply from the Colonial Secretary was as follows:—I have the honour to acknowledge your letter of September 2nd notifying the resolution of the Sanitary Board on the subject of the clearing of brushwood in the vicinity of dwelling houses. You are no doubt aware of the arrangement arrived at nearly a year ago between the Sanitary and the Botanical and Forestry Departments in regard to this question. The correspondence relating to that arrangement contained a proposal by the Medical Officer of Health that clearings around isolated dwelling sites should gradually be extended to a radius of 400 or 500 yards. In cases to which this recommendation is applicable it is probable that the whole or the greater part of the area contained would be Crown Land, and the clearing twice a year of an area of some 130 acres would involve a very considerable sum from the public revenue for the benefit of the owner. When such isolated lots are sold, it forms no part of the sale conditions that the Government should incur this heavy obligation. In this connection I am to enclose a minute by the Superintendent of the Botanical and Forestry Department. (2) His Excellency has carefully considered the papers on the subject, and in his view the clearing of waste places which are in immediate proximity to the thickly populated areas in Hongkong and Kowloon, more particularly waste and unoccupied plots of Crown land which may not only form breeding places for mosquitoes but may also be insanitary for other reasons, should form part of the ordinary duties of the Sanitary Department staff. If in private ownership it devolves upon the Sanitary Department to take the necessary steps with the same object in view. (3) In the case of dwelling houses in the Hill District or elsewhere in detached situations, where any surrounding vegetation is not alleged to be insanitary, the recommendation of the Board in regard to the removal of undergrowth on the grounds of its being a harbourage for mosquitoes will receive the careful consideration of Government equally with any representations from the individuals concerned, and will be dealt with by the Superintendent of the Botanical and Forestry Department under the advice of the Principal Civil Medical Officer in such manner as may appear necessary and equitable just as schemes for training nullahs with the same object in view are now dealt with.

The minute by the Superintendent of the Botanical and Forestry Department was as follows:—There are one or two points about the clearing of ground in the tropics which are well known to this department from long experience, but which would not perhaps be generally obvious and upon which I feel sure that the Sanitary Department must be under a misapprehension. These are (1) That when ground has to be kept clear of superfluous undergrowth the first cutting may produce enough brushwood to pay the workmen who do it, but that the

subsequent semi-annual cuttings give no return and have to be paid for. The clearing of the gradually extended area, therefore, proposed by Dr. Clark, would increase in cost in geometrical progression at each half-year, and could not, as apparently assumed, be covered by a fixed annual outlay; (2) that, unless clearing is scientifically done, a rank and quick growing crop of herbaceous weeds takes the place of the wood undergrowth, and that it is necessary to encourage a thin growth of the best woody plants on the area so as to shade the whole ground, and thus discourage and eventually reduced to a minimum all other growths. The loss of all trees and shrubs which almost invariably follows unskilled clearing is a misfortune which it takes years to repair. For this reason I recommend that land-owners should not be allowed themselves to clear Crown land indiscriminately round their lots.

Mr. SHELTON HOOPER minuted—Referring to the Colonial Secretary's letter to the Secretary of the Board of 23rd September, I do not remember the arrangement between Sanitary and Botanical Departments, which was arrived at a year ago, being communicated to the Board, until I proposed the resolution on 31st ultimo.

The REGISTRAR-GENERAL—There seems to be little advantage to the health of the Colony in substituting a rank and quick growing crop of herbaceous weeds for woody undergrowth. I expect the mosquitos find herbaceous weeds give them as good accommodation.

The DIRECTOR OF PUBLIC WORKS—One serious objection to the promiscuous cutting of undergrowth on the hill sides is that if the roots are disturbed heavy rains will cause landslips.

The PRESIDENT explained that the letter was written in reply to the resolution which was passed by the Board recommending that undergrowth be cut.

Mr. HOOPER said that the Colonial Secretary was under a misapprehension. The letter referring to the arrangement between the Sanitary and the Botanical Departments was not referred to the Board.

The PRESIDENT—It was not communicated to the Board.

Mr. HOOPER said that it was only recently that they learned that the Botanical Department worked in connection with the Sanitary Department. However, he would like to ask if there was any friction between the two departments, whether the Botanical Department carried out orders from the Sanitary Department as to clearing localities, and whether there had been any complaints from any district, more particularly in the neighbourhood of Babington Path, that undergrowth had not been cleared. He would also like to ask the Medical Officer of Health whether there had been any serious outbreak of malaria in that district and what steps had been taken to remove the brushwood complained of.

The PRESIDENT replied that there was no friction between the two departments as to the cutting of brushwood, but a certain line had been drawn, above which it was agreed that the Botanical Department should remove the brushwood and below which the Sanitary Department were to cut the brushwood. Ordinarily the Superintendent of the Botanical Department cut down brushwood where it was pointed out to him that it was necessary, but he was not anxious to do it without first ascertaining whether any revenue could be obtained from it. That perhaps explained any delay that might have taken place, as he made inquiries before he undertook the removal of any brushwood. As regarded Babington Path Mr. Donald seemed to have been annoyed that the work was not done in the shortest possible time, but his application received due consideration and the matter was still under the consideration of the Government. The Government, however, wished before they removed brushwood from Crown land to see that private owners did their part in that respect.

The MEDICAL OFFICER OF HEALTH stated that information had been received that a case of malaria had occurred in a certain neighbourhood. He inspected that neighbourhood and found there was certain brushwood which should be removed and certain repairs effected to nullahs. At his suggestion a letter was written to the owners of private property pointing out that brushwood on their land

should be cleared. That had not yet been done.

Mr. HOOPER asked if the Medical Officer of Health considered it necessary in the interests of the health of the neighbourhood that brushwood on Crown land should be cut.

The MEDICAL OFFICER OF HEALTH—Yes, up to a certain area.

The REGISTRAR-GENERAL asked whether the Sanitary Authorities could define what brushwood was. As regarded the harbourage for mosquitoes he commented on the lack of policy which characterised the community, because at the top of Albany nullah quite a number of plants had been put down, while across the nullah women were busy removing wild plants. The place to which he referred had been made a beautiful jungle by the plants that had been placed there. He thought the policy pursued was somewhat illogical, as they seemed to cut down plants merely because they were wild. He would like to be supplied with a definition of what brushwood really was.

None was forthcoming.

The MEDICAL OFFICER OF HEALTH said it was the jungle to which they objected. Where the plants were sparsely placed and the wind could play around them there was no danger of mosquitoes being harboured there, but where trees and plants became thickly matted together affording a harbourage of refuge, it was that beautiful jungle that they wished to cut down.

The matter was laid on the table.

AN ARROGANT CHINESE VISITOR

DIGNITY HAS A FALL.

A Mandarin-speaking Chinese, who said he was a servant of the Viceroy of Canton, has learned that Hongkong is not a place in which the coolie can be thrashed with impunity. The visitor made his appearance before Mr. F. A. Hazeland at the Magistracy on Monday on charges of disorderly conduct and assaulting the police. It appears that the defendant approached a hawker's stall, and placing two cents thereon said he wanted some pears. He practically removed the hawker's stock of this fruit, and when the stallholder objected struck him with his fists, at the same time giving him to understand that he was a servant of His Excellency the Viceroy. But the hawker thought more of the loss of his fruit than of the dignity of his assailant, and seeing a lukong in the vicinity he called him to his assistance.

The visitor scorned the lukong, but as he declined to return the fruit he was taken to the Central Police Station. There, when told by the constable to take a seat, he dealt him a blow on the chest in the presence of the Inspector on duty.

When his Worship had heard the evidence he sentenced the Viceroy's alleged servant to fourteen days' imprisonment on each charge without the option of a fine.

BOYCOTT OF JAPANESE GOODS IN PENANG.

The Anti Japanese movement assumed serious proportions at Penang on the evening of the 8th inst. The Cantonese shopkeepers covered the walls in Carnarvon St. and in the Ropewalk with articles of Japanese manufacture. All of them were securely nailed. Inflammatory placards were also placed in conspicuous positions. A surging mob of Chinese collected in front of several Japanese houses and threw stones at the buildings. The police arrived at the critical moment and denounced the walls of the articles and placards. The mob then dispersed. A Japanese cinematograph has stopped performing.

The boycott of Japanese is spreading to all the townships of Perak and trouble is feared at Kampar. The Singapore *Free Press* says—This seems to be an instance of the way Chinese everywhere can be induced to take up a movement having its origin in the Middle Kingdom. The Chinese of Perak can have no cause of complaint against the Japanese in Perak sufficient to justify these attacks, and the serious risks they run. The instigators of the outrages are the men to get at, as those actually concerned in them.

SUPREME COURT.

Monday, 11th October.

IN SUMMARY JURISDICTION.

BEFORE HIS HONOUR MR. H. H. J. GOMPERTZ (PUISNE JUDGE).

A CAPTAIN'S CLAIM.

Captain Wilson Cooper, lately master of the s.s. *Tak Hing*, brought an action against the Sze Yip S. S. Company, for \$858.33, being damages for wrongful dismissal from the defendants' service, \$750 being for three months' wages in lieu of notice and \$108.33 for wages due. \$250 had been paid into Court.

Mr. Reader Harris, of Messrs Wilkinson and Grist, appeared for plaintiff, and Mr. P. S. Dixon, from the office of Mr. R. Harding, appeared for the defendants.

Mr. Harris asked for leave to amend the writ and add \$141 for wages from 1st September to 19th, as defendants had not paid plaintiff for the time he actually worked. It made the claim \$1,000.

Mr. Dixon asked for costs up to date. It altered the whole case, as the claim was originally for three months, but now they were asking for four months.

His Lordship—You have not admitted the three months, have you?

Mr. Dixon—No. I would have a right to have the case adjourned. If I don't press that I am entitled to costs.

His Lordship—You may have all costs incidental to the amendment, but I think there will be nothing.

Mr. Dixon—Very well, my Lord.

Mr. Harris then explained that plaintiff was appointed master of the *Tak Hing* at a salary of \$225 a month for the first six months, this to be increased in the second six months to \$250. The engagement, which was confirmed by letter, was to run from the 2nd December, but there were no terms limiting the agreement.

His Lordship—What do you say the engagement was?

Mr. Harris—I think it is an engagement for a year. I don't think there is any doubt about the fact that defendants had power to dismiss plaintiff provided they gave a reasonable notice. The custom of the port is three months.

His Lordship thought Mr. Justice Wise had decided the question.

Mr. Harris said there was a case heard before Sir Henry Berkeley in which there was a definite ruling that three months was a reasonable time. It was reported in the *Hongkong Daily Press*.

Mr. Harris added that at the end of six months plaintiff's salary was increased to \$250. On the 19th September he received a letter from the managing director of the Company dismissing him from that date. Plaintiff thereupon brought the present claim.

Plaintiff then entered the box. He stated that he had been in the defendants' employ as master for nine months, but prior to that he was for several months first mate of the *Shun Lee*. He had never received any hint from his employers that his services were unsatisfactory, and after he received the letter on the 19th September dismissing him summarily he went and saw the manager and demanded three months' wages in lieu of notice, as he considered he was entitled to it.

Cross-examined by Mr. Dixon:

Why did the Company dismiss you at a moment's notice?—That I don't know.

Now there is always a reason why people are dismissed. Can you give me any reason why they should dismiss you?—None whatever.

Your conduct, I suppose, had always been beyond reproach?—Yes.

You had never had any accidents with the ship?—No, not while I was in charge.

You never had any quarrels with the manager or other people on board ship?—Never.

Do you really mean to swear that while you were in charge of the *Tak Hing* there never were any accidents?—There were accidents, but I was not on deck.

You were on shore, you mean?—I was asleep. I put it to you that during the last three months there have been one continual series of accidents on board that ship?—There has not.

We all know of one accident when the steamer collided with a night-soil boat?—Yes.

You were in charge then?—Yes. And the case was decided in my favour at the Harbour Office.

On the 5th December last the propellor of the ship got entangled with another night-soil boat?

Mr. Harris objected.

His Lordship, however, did not uphold the objection.

Question repeated—That is the case you have quoted.

We will take another. On the 1st March your ship struck the *San Cheong*?—I never struck her.

Well, what happened?—We drifted on top of her.

And the Company had to pay \$50 for her repair?—Yes, not for damage to our ship.

On the 14th February when your ship arrived at the wharf her propellor became entangled with some rope and that cost \$20?—I had nothing to do with it.

That was a fact?—I had nothing to do with it. I was not on board.

You admit two accidents while you were on board and one while you were not?—In both cases I was exempted from blame by the Harbour Master.

Whether you were to blame or not these accidents have cost the Company \$100?—I can't tell you. In my opinion it would be about \$100.

There have been complaints about your taking a long time to moor?—I had a good reason.

You know complaints have been made to the manager about your taking so long to get the steamer alongside the wharf?—No.

Why do you take such a long time to get in?—The ship wants careful handling.

Why?—I was afraid I might damage the ship and had to handle her more carefully than if I was on an ordinarily good boat.

You know the other captains take about fifteen minutes?—I know I take six minutes.

The other captains take fifteen minutes and you take from one to three hours?—Witness laughed and replied—I give it up.

Will you swear you take six minutes as an average?—Yes, between six and eighteen minutes.

Then you don't take a long time in getting in?—Well, I have been told I did it very quickly.

Was the manager satisfied?—He never complained to me.

Re-examined—His successor was receiving \$225 a month, which seemed a good reason why witness should be dismissed. In the cases mentioned witness was held not to blame and the owners of the night-soil boats were fined.

John Mounsey, master mariner, said he was chief officer of the *Shui On*. He was formerly master of a river steamer, but was dismissed for taking a European engineer. He was dismissed summarily, but received three months' wages.

Cross-examined—He did not know of a rule at the Harbour Office that a master could be dismissed at a month's notice. The master of a river steamer was entitled to three months' or six months', the same as the master of an ocean steamer.

The managing director of the defendant Company spoke to receiving complaints as to the long time the plaintiff took in mooring the steamer and detailed the accidents and what they cost. He also referred to occasions when plaintiff quarrelled with Captain Cameron of the *Shun Lee* and with others.

Cross-examined—He transferred Mr. Cooper from the *Shun Lee* because of his quarrel with Captain Cameron, and appointed him to the command of the *Tak Hing*.

The hearing was adjourned.

A MONEY LENDER'S CLAIM.

Mungal Singh sued J. H. Pidgeon for \$40 due on a promissory note.

Mr. Leo D'Almada who appeared for defendant, admitted the debt. He applied for a stay of execution on the ground that the defendant had on the 5th of January this year filed his petition in bankruptcy. That petition was not proceeded with because debtor had no assets and was then out of employment. Since then he had obtained employment and was earning \$60 a month, out of which he had to pay \$50 for

board and lodging. Under the circumstances he thought the Court would grant a stay of execution.

His Lordship gave judgment for plaintiff and allowed a stay of execution for a month.

Tuesday, October 12th.

USURY EXTRAORDINARY.

Prem Singh, an Indian watchman, brought an action against S. Quistongco, described as an artist in the employ of the *South China Morning Post*. Mr. Gardiner appeared for the plaintiff and Mr. F. X. D'Almada appeared for the defendant.

Mr. D'Almada on behalf of defendant consented to judgment and asked that an order be made for payment by instalments. The plaintiff, he said, originally lent defendant in March, 1907, the sum of \$100 and charged interest at the rate of \$10 per month. Defendant paid interest up to June and failing to pay in July the promissory note was renewed for \$110. Sums of \$11 were paid as interest until October, when defendant again failing to pay the promissory note was renewed for \$120 and the interest was accordingly raised to \$12. That continued for some time, but in January 1908, the defendant was unable to pay the month's interest and the promissory note was renewed for \$130, interest being again raised to \$13 per month. This arrangement continued until April, when for the same reason the promissory note was renewed for \$140 and the interest increased to \$14. As the defendant found it more difficult to keep up the payments the promissory note was renewed periodically from \$150 by \$10 a month until in June of this year the defendant had signed a promissory note for \$240 with interest at \$24 a month. On July 1st the defendant paid \$25 in interest, and various other small payments were made, but on September 6th plaintiff issued a writ.

His Lordship—Well, he had to be consistent I suppose.

Mr. D'Almada—I have witnesses who can speak to seeing the promissory note for \$150 being renewed and given.

His Lordship—Have you any receipts for your payments?

Mr. D'Almada—No, my Lord. Those Indian money-lenders and usurers do not give receipts.

His Lordship—How much have you paid altogether?

Mr. D'Almada—We have paid altogether \$270 in interest, and my client does not want to go on paying interest without being able to clear off the capital.

Defendant stated on oath that his salary was \$130, and that he had a wife and five children to maintain.

Mr. D'Almada said his client was only receiving \$115 a month, as his employers were deducting \$15 a month in respect of a loan made by them to him.

His Lordship said it was absolutely inconceivable that an intelligent man like the defendant should have consented to such an arrangement. In reply to his Lordship the defendant said that he was forty years of age, and his Lordship added that he hoped he would consider his wife and family and be a little more business-like in his business affairs.

An order was made for payment at the rate of \$2 a month, costs amounting to \$40 to be paid forthwith.

Thursday, 14th October.

ALLEGED BREACH OF AGREEMENT.

Edward Arnold Kennedy brought an action against Mak Nam Woon, proprietor of the Belle View Hotel, for the recovery of \$1,000, \$500 being as to damages for breach of an agreement whereby defendant agreed to employ plaintiff as manager of his hotel, and \$500 as to damages caused to plaintiff by the wilful and intentional act of the defendant in preventing the plaintiff from continuing with his application for a licence under the Licences Ordinance of 1898. Mr. Reader Harris, of Messrs. Wilkinson and Grist, appeared for plaintiff, and Mr. Eldon Potter (instructed by Mr. Crowther Smith of Messrs. d'Almada and Smith), appeared for defendant.

Mr. Harris said that he intended to drop the second part of the claim. The agreement stated that plaintiff was to be engaged as

manager of the Belle View Hotel and the first clause stated that his agreement commenced as soon as the licence had been obtained. The licence was applied for by him with the authority of the defendant on August 30, when the case was adjourned. After the adjournment plaintiff asked defendant when he would be wanted again and defendant said he would not be wanted until September 10, that being the date to which the application was adjourned. Plaintiff went to Canton and on September 6th he saw in a paper an advertisement stating that William Winch was making an application for the licence of the Belle View Hotel. Plaintiff treated that as a notice that defendant no longer was bound by the contract and he immediately set about obtaining employment and went to see Messrs. Purnell and Pagett. Later he came to Hongkong and saw the defendant's solicitor.

Plaintiff stated that he was formerly a ganger in the employ of Messrs. Butterfield and Swire at Taikoo, but in August last he received a chit from defendant asking him to discuss business. Plaintiff went and was asked by defendant what he would take to manage his hotel. Defendant offered \$60 a month, which he raised to \$100 with all found. Plaintiff declared he would not leave his present employment for anything less than \$125, and next day he saw defendant at the office of Messrs. d'Almada and Smith, where defendant agreed to pay him \$125 a month, free board and lodgings, and \$27 a month for drink allowance. On August 18th he left his employment because defendant was always sending him chits and plaintiff could not be certain of getting away. Subsequently an application was made on the 30th August for a licence in his name, and when they returned to Messrs. d'Almada and Smith's office the agreement was signed. Afterwards Mr. Smith said he wished to know something more about plaintiff's record in the Customs service, and plaintiff promised to send his papers when he procured them. He went to Canton for a short visit, intending to return on September 6th, and was on the point of returning when he saw an advertisement that an application had been made to Justices for a licence for the Belle View Hotel in the name of William Winch. He concluded from that that defendant had cancelled the agreement and remained at Canton for a little time in the hope of finding other employment. Later he came to Hongkong and saw Mr. Smith, who told him he did not know why another name had been substituted, and as a matter of fact he advised defendant against it.

Cross-examined—He was discharged from the Customs after three years' service for striking a coolie. He was not informed by Mr. Smith that the police objected to plaintiff when his application for a licence was made to the Justices. As a matter of fact he was told the opposite. He thought his application had been withdrawn. He had known of other applications having been withdrawn by parties other than the applicants.

Your case is that if you had not seen the advertisement in the *China Mail* you would have still come to Hongkong?—Yes. I usually look at the paper every morning.

You came to the conclusion that your application had been withdrawn?—Yes.

It had never been suggested to you that your name had been withdrawn?—No.

Didn't Mr. Smith send your letter to the Captain Superintendent of Police?—I don't know.

Didn't he show you a copy of a letter he sent to the Captain Superintendent of Police?—I don't remember.

Didn't Mr. Smith tell you your application had been withdrawn?—No.

Don't you know that in the *Government Gazette* your own application appeared above that of Mr. Winch?—I never see the *Government Gazette*.

Why didn't you communicate with Mr. Smith?—I thought I had no further business with defendant. I immediately looked out for other employment.

Where did you see that your name was cancelled?—I saw another person's name in the paper.

Did you see the *Daily Press* of that date?—No.

Did you know that your advertisement appeared in the *Daily Press*?—No.

And that your advertisement never appeared in the *China Mail*?—No.

A clerk from the Magistracy produced the minute book of the Justices wherein the application of plaintiff for the licence was objected to by the Captain Superintendent of Police. A further minute stated that the applicant did not appear and his name was struck out.

William Winch stated that he was approached on August 31 with reference to putting in an application for the licence of the Belle View Hotel. The condition was that if plaintiff's application was successful the agreement with witness would be null and void.

Defendant gave corroborative evidence.

His Lordship gave judgment for defendant and said he was sorry for the plaintiff who had drawn an mistaken inference when he saw the advertisement.

THE CAFE WEISMANN PROSECUTION.

ALLEGED SALE OF LIQUOR WITHOUT FOOD.

The hearing of the charge against R. Eckhardt, manager of the Cafe Weismann, of selling liquor without food under an adjunct licence, was continued before Mr. J. R. Wood at the Magistracy on Tuesday.

Detective-Sergeant Sullivan prosecuted, and Mr. Eldon Potter, instructed by Mr. Crowther Smith (of Messrs. Almada and Smith) appeared for the defence.

P.C. McKelvie testified to visiting Weismann's on October 1st with P. C. Spillett, who called for two large O. B. beers. A Chinese boy said they had no O.B., and asked if they would have Pilsener. They agreed, and the boy provided the drinks, at the same time putting two plates and two forks on the table. Afterwards he removed the plates and forks, and placed a plate of sandwiches on the table. Neither the witness nor Constable Spillett ordered sandwiches, and neither ate any. Some eight or ten minutes later Sergeant Sullivan entered, and Constable Spillett invited him to have a drink. The same boy approached the table at which they were sitting, and said he could not supply drinks without supplying food. The boy did not say this on the first occasion. Sergeant Sullivan declined to have a drink, saying that he did not want any food. Constable Spillett then called for two more Pilseners, which were brought by the same boy.

His Worship—Then I understand that you two constables consumed two bottles of beer each?

Witness—Yes, your Worship. Proceeding, the witness stated that after this Constable Spillett called for the bill, which was brought, and on it they charged for four glasses of beer and four sandwiches. Constable Spillett asked why he should pay for sandwiches when he did not order them, and sent for the manager, who said that he expected the boy to explain to them that they could not have drink without food, and that probably they did not understand the boy's "pidjin" English. Constable Spillett, still protesting, paid the bill, and when the change was brought there was found to be an error of forty cents, which the defendant rectified.

His Worship—Did the Sergeant tell Constable Spillett not to pay for the sandwiches?

Witness—He advised him not to.

You are quite clear that nothing but beer was called for?—Quite.

Cross-examined by Mr. Potter:

You went into Weismann's on detective duty, did you not?—I went in on an order from the police sergeant.

You went in to see if you could get drink without food?—Yes.

And if food was supplied to you, you knew that you had no case?—Personally I did not.

You did not know it was important that food should be supplied?—My instructions were to go to Weismann's, order a drink, and see what happened.

What were you told about food?—I was told not to order food, but to order a drink, and if food was suggested to make a note of it.

Didn't you know that if you had been supplied with food you would have had no case

against Weismann's?—It was really a rough guess.

Didn't it suggest to you that food was of importance?—P. C. 41 and myself had a conversation and put two and two together. He said there must be something about food and drink. I knew nothing about licences at the time.

When you entered Weismann's, what was on the table?—Nothing.

I put it to you that there were two plates?—No.

Do you understand "pidjin" English?—No.

Do you think you would have understood the boy if he asked you to have cakes or sandwiches in "pidjin" English?—I'd have known what sandwiches meant.

What is the word for sandwiches?—Witness was understood to say "sandwiches."

Now can you understand "pidjin" English?—I could not pass an examination in it.

Bearing in mind that the question of food was important, what did you think when you saw plates and forks come?—I thought it peculiar.

Did you say, "By Jove, our case is all up?"—I did not say anything.

Did he bring the beer at the same time as the sandwiches?—The sandwiches arrived at the same time as the beer.

Now just think, were not the sandwiches placed on the table before the beer was brought?—No.

You are quite satisfied with that statement, are you?—I have sworn it.

But is that your opinion?—I am not here to state my opinion; I am stating facts.

Did either of you say anything when the sandwiches were placed on the table?—No remarks were made.

What did you think the sandwiches were put on the table for?—In most public bars you get "a snack."

So you came to the conclusion that the sandwiches were placed there to eat?—Yes, sandwiches are for that purpose.

But fearing that you might injure your case by eating the sandwiches you carefully refrained?—I had already had dinner.

Did you think that Weismann's had broken the licensing law at that time?—I have already told you that personally I had no interest in the case.

What were your thoughts about it when the plate of sandwiches was placed before you?—I have already answered that question.

But what did you think about the case you were going to bring against Weismann's?—It was up to the sergeant to prove that.

When the sergeant came to your table you had another try to make Weismann's break the Licensing Law?—No, P.C. Spillett called for two drinks afterwards.

Did he call for three?—No.

The sandwiches were paid for, were they not?—Yes.

Did it not strike you as peculiar to go into a restaurant and pay for what you had not ordered?—I did not pay.

And you did not give Constable Spillett any friendly advice as to paying for what he had not ordered?—He can pay for what he likes with his own money. I did not know what was in his mind.

Did you think it peculiar for Constable Spillett to pay for the sandwiches?—Yes, but I daresay if he had had small change he would have paid for the beer alone.

Then you do know something about Constable Spillett's mind?

His Worship—That is a supposition.

Mr. Potter—It is so difficult to get a supposition out of him.

Witness—I am here to state facts; not suppositions.

Mr. Potter—Are you stating facts now?

Witness—I will put that to you as a supposition.

Mr. Potter—I am pleased with the suggestion.

Counsel then informed his Worship that the Ordinance gave no definition of an adjunct licence, but he supposed that what it meant was that a person could sell liquor in addition to the commodity that he was already selling. Therefore, it followed in this instance that if there was a sale of food there could not possibly be a conviction. He did not care whether there was a protest or not on the part of the constable. Once he had paid

his bill, there was a purchase of food by that constable. The money was tendered, the bill was paid, the purchase was completed, and Constable Spillett was now the happy owner of six sandwiches, which he felt sure Messrs. Weismann would be glad to give him at any time he called for them. The case must fall to the ground. The bill included two lots of beer and sandwiches, the constable paid the bill, and therefore the defendants had not infringed the Ordinance. His next point was that the summons must stand or fall according to the meaning of the section under which the charge was brought. The defendants were charged with a breach of the terms or conditions of their licence. As previously pointed out to his Worship, the terms and conditions were set on the transfer licence, and it was not suggested by the prosecution that there had been any breach of those terms. The moment the present licensee got a transfer, the original licence was wiped out.

His Worship—Do you claim under that licence that he will have all the rights of a public bar?

Mr. Potter—I only claim the rights I get by it.

His Worship—Do you contend that that licence gives the licensee the right to run a public bar?

Mr. Potter—I am not contending that, because I don't need to.

His Worship—But you are prepared to contend it if necessary?

Mr. Potter—I think the wording is very clear.

His Worship—And in your view it might cover a public bar?

Mr. Potter—It might, but I am not contending now that we have the right to use our place as a public bar, because it is not necessary to my argument.

Proceeding, Mr. Potter said that his clients were charged with breach of the terms or conditions of their licence. He would ask what terms and conditions had been broken, because, as a matter of fact, if the licence produced was theirs, they had not broken any term or condition. It was quite obvious that the licence produced was the only one in existence. It was a new licence, inasmuch as it took the place of the licence owned by the person from whom the transfer came to the present licensee. It was quite obvious that the transfer took the place of the original licence, and the original licence was now non-existent. The transfer was a contract with the Government so far as his clients were concerned. The Government, in consideration of so many dollars, licensed them to sell beers and spirits, and said, "Here is your authority." Therefore the police could not come along and say that the other contract with another man was in existence, and that they were going to bind the defendants to those terms. He contended that the prosecution must stand or fall by the licence before the Court. The third point was that, even supposing they had sold drink without food, and assuming for the sake of argument that they were actually guilty of selling drink without food, that was to say, that the boy did so, then he would contend that the Court could not convict the manager. He could not be made criminally liable for an act of the boy unless it could be proved that the manager allowed the thing to be done. If a manager or licensee took all reasonable precautions the Court could not find him guilty. Mr. Potter quoted authorities in support of his contention, and stated that he raised these points first, because if any one was decided in his favour there would be no necessity for him to call witnesses. One of his strong points was the fact that there was an absolute sale of food, and if his Worship asked himself who was now the owner of the sandwiches, there could only be one answer—the purchaser. There was nothing in any of the Acts which said that the beer must be put on the table after the food, or that the food must be put on the table before the beer; the whole thing was one transaction. Even if the constable did not mention the word food, Counsel submitted that Weismann's were absolutely entitled to place it on the table, and to decline beer unless it was taken. Otherwise

the constable could walk in and practically compel the defendants to break the law.

His Worship—How?

Mr. Potter—By walking in and refusing to take food. In this instance the constable was afraid to go that length; he saw his weakness and paid up.

His Worship intimated that he would take time to consider the points raised.

Mr. Potter suggested that the Magistrate should hear the evidence of the manager before adjourning.

Mr. R. Eckhardt stated that he was manager and in control of Messrs. Weismann's, Ltd. On August 21st, while he was writing in the office, a boy told him there was gentlemen in the Cafe who wanted beer without anything to eat. Witness told the boy not to serve him. The boy went away, and returning five minutes later said that the sergeant was sitting at the table with two friends, and that three glasses of beer were wanted. Witness told the boy to supply only two drinks. When he went to the table at which the police were sitting later, he was asked how it was that they were charged with four sandwiches. Witness told them that he only had an adjunct licence, and that he could not serve liquor unless food was ordered. One of the men denied ordering sandwiches, but the boy said they had been ordered. Witness then heard the sergeant advising the others not to pay. When the police were leaving witness said to the sergeant, "Look here, you have not been served because you refused to let the boy bring you any chow." The sergeant said, "I am not sure, boss, whether you are right or whether you are wrong," and they left. Witness instructed his boys every day not to sell drink without food.

The hearing was adjourned *sine die*.

ALLEGED LARCENY AS A BAILEE.

Before Mr. J. R. Wood at the Magistracy on Tuesday a master mariner named Rankin, unemployed, was indicted on the charge of stealing \$100 as a bailee.

A shroff employed at the Oriental Hotel stated that he received the \$100 note on August 21st, and made out a receipt in the name of John Smith. On the following day the defendant went and drew \$20, and had the name of John Smith removed from the receipt and his own name substituted. On the 23rd and 24th August, or thereabouts, the defendant drew other amounts until the whole \$100 was paid him. When the last payment was made the defendant, instead of returning the original receipt, handed witness the receipt produced.

Defendant (to witness)—If the receipt was made out in the name of John Smith, why was the money paid to me without Smith being there?

His Worship—Did you receive the money?

Defendant—I received the first \$20 to get the complainant's ring out of pawn. It was purely and simply a drunk from beginning to end—a big drunk for everyone of us, and nothing else.

His Worship—Do you deny that you received \$20 and \$15 later on?

Defendant—I could not tell you whether I received it or not. I don't know.

His Worship (to witness)—When you paid these amounts of \$20 and \$15 was the defendant sober or drunk?

Witness—He was sober.

Defendant—I know nothing about it. I couldn't have been sober, and if I went up for the money it must have been at the instigation of the complainant; otherwise I shouldn't have gone.

John Smith, master mariner, said he gave the defendant a \$100 note in the Stag Hotel on August 21st. While having a few drinks together witness drew the \$100 from his pocket and the defendant told him he should put it behind the bar for security. Witness thought it was a good idea, and defendant offered to do it for him. On the money being handed to defendant he suggested that they should go to the Oriental Hotel. They went, had more drinks, and the defendant placed the \$100 bill with the shroff, but after that drew it all in instalments. Later, when complainant met the defendant he told him he was penniless.

His Worship—Were you not troubled with the police at that time?

Complainant—No. Proceeding, witness said he again met the defendant in the Stag Hotel, when the latter got his ring out of pawn. Witness asked defendant for his money and Captain Rankin said he would see him later. Complainant was then obliged to go into hospital, and did not see the defendant afterwards, but he reported the matter to the police.

In reply to the defendant, witness said that his ring was taken out of pawn on the 22nd or 23rd August. Witness met defendant that morning in the Stag Hotel.

His Worship—You pawned the ring on that morning?

Complainant—Yes, for the second time.

His Worship—The defendant says you were drunk all the time; is that so?

Complainant—No.

His Worship (to defendant)—Did you draw this money?

Defendant—I cannot tell you. For ten days I was dazed with whisky. I can vouch that I lost the paper the shroff gave me with a lot of my own papers.

His Worship—Why did you draw the first \$20?

Defendant—At the instigation of the defendant to get his ring.

His Worship—What is your calling?

Defendant—A sailor.

His Worship—What was your last ship?

Defendant—The *Tak Hing*.

His Worship—When were you on that?

Defendant—About ten months ago.

His Worship—Have you had any ship since?

Defendant—No.

His Worship—How do you earn your living?

Defendant—I am being kept here by someone.

His Worship took time to consider the case, and decided to discharge the defendant.

CONFUCIANISM IN HONGKONG.

LARGE SUBSCRIPTIONS FOR PROPOSED HALL.

At a religious meeting held in the Tai Ping Theatre on Monday, at noon, for the celebration of the anniversary of the birthday of Confucius, there were present about 2,000 Chinese ladies, gentlemen and children who were all admitted by ticket. Mr. Lau Chu Pak presided. After the preliminary ceremonies usually performed on such an occasion, Mr. Lau in the course of his speech, observed that what the Chinese wanted in this Colony was a hall, and not a temple, to be dedicated to the Chinese Sage. Unlike a temple, a hall would be useful in many ways. On ordinary days it could be used as a lecture room, a school for teaching classical Chinese, or sometimes when the Chinese wanted to entertain a distinguished guest, it could be utilised as a banquet-room. Such a building, continued Mr. Lau, might cost a sum of three or four lakhs, but there should be no difficulty in raising it. Ten thousand subscribers, each contributing \$30.00 or \$40.00, would amply cover the amount. It was no credit to the Chinese residents here to continually resort to a theatre when an important occasion like the present occurred.

The audience heartily responded to Mr. Lau's suggestion by at once promising subscriptions to the amount of \$12,000—for what they called the foundation of the movement.

After this, lectures on morality and Confucius' doctrines in general were given. The meeting was most attentive and orderly throughout, and did not disperse until 4.15 p.m.

We learn that the movement initiated by Mr. Lau Chu Pak at the services in celebration of the birthday of Confucius to build a public hall for the use of the Chinese community is making progress. In addition to the sums promised at the meeting referred to other subscriptions have been promised amounting in all to \$30,000. It is expected that the desired three lakhs will be raised.

The disappearance of stores belonging to the Kowloon-Canton Railway has been frequently discussed and attention is likely to be drawn to the subject again by the report made to the police that somebody has stolen from the railway works at Tai Po Kau twelve large cases and one package of dynamite valued at \$373.

CORRESPONDENCE.

THE PROPOSED BEACON ON BUNSANSIAH ROCK.

[TO THE EDITOR OF THE "HONGKONG DAILY PRESS."]

Hongkong, Oct. 9th, 1909.

SIR,—In His Excellency the Governor's Finance speech he is reported as having used these words: "The Miscellaneous Works vote is \$35,000. This is for the various urgent minor works for which necessity is shown during the year. They will, I hope, include the beacons on Bunsansiah and Douglas Rocks etc., etc."

I earnestly hope the Government will not be so ill-advised as to go to the expense of a beacon on the Bunsansiah Rock.

Sooner or later a light will have to be erected on Mah-Wan Island, at the Hongkong entrance of Kap-Sui-Moon, and the money used in erecting this utterly useless beacon could be more profitably employed in commencing this light.

Had a light been there previously, the *Powan* would probably still have been afloat, and the terrible loss of life at that disastrous wreck averted.

What a great pity it is that H.M.S. *Flora* did not go ashore on Mah-Wan, instead of the rocks in the Kowloon Bay.

We should in all probability have had the at present useless light on Signal Hill, in a position of some service to the vast mercantile interests of the Government, viz., at the much-used entrance of the Canton River—Yours truly,

WHARF RAT.

THE SUBSIDIARY COINAGE QUESTION.

[TO THE EDITOR OF THE "HONGKONG DAILY PRESS."]

SIR,—You say in your leader to-day that forty or fifty million dollars' worth of Hongkong's subsidiary coinage has been drained into China. In other words, China has bought and paid for it with goods sold to Hongkong. Why should Hongkong buy it back at a loss?

The only way open to the Government to deal with this evil is to mint a new and distinct coinage, fix a very short time limit for the exchange of what Hongkong subsidiary coinage remains in circulation in the Colony—and the thing is done!

I am unable to see that any serious political or commercial issues are involved. Every province in China has its own currency and exchange operations are a recognised necessity of inter-provincial trade in China. The Hongkong coolie, while he does not now discriminate between a Hongkong and a Canton coin indignantly refuses to accept a Shanghai coin, and he would quickly learn to reject the Canton coin if Hongkong had a currency distinct from that of China and accepted at par value.

—Yours,

OBSERVER.

ACCIDENT TO THE "DAIJIN MARU."

After three days at sea s.s. *Daijin Maru* put back to Amoy with a broken propeller on the 8th. After docking in Amoy to change the propeller she is expected to sail for Tamsui on the 10th or 12th.

BANGKOK'S POPULATION.

CENSUS FIGURES.

Bangkok Town: Males, 379,118; Females, 249,557. Total, 628,675.

Provinces in Monthon Bangkok: Males, 108,863; Females 129,913. Total, 238,776.

The whole Bangkok Monthon: Males, 487,981; Females, 379,470. Total 867,451.

Of the total population Siamese number 639,920, Chinese, 197,918; Indians and Malays, 20,764, Europeans, 1,064, Other Nationalities 7,245.

THE CANTON RAILWAY FUNDS CASE.

TRIAL AT CANTON.

The trial of William Butler Wright, late chief accountant of the Chinese section of the Canton-Kowloon Railway on charges of larceny of the sums of \$13,000, \$5,000 and \$4,000, belonging to H. I. M. the Emperor of China, was commenced on the 13th inst. in the British Court, Shameen, His Honour Mr. Lindsay Smith, Assistant Judge of H.B.M.'s Supreme Court for China, presiding.

Mr. H. P. Wilkinson, Crown Advocate, appeared for the prosecution, being instructed by Mr. H. W. Looker (of Messrs. Deacon, Looker and Deacon, Hongkong). Mr. J. C. E. Douglas (of Messrs. Home and Douglas, Shanghai) defended.

The following jurors were called:—J. C. H. L. Smith, R. T. Matheson, W. H. Hill, H. Dent, and C. H. Reid. None of the jurors were challenged.

Before the Crown Advocate opened his case, Mr. Douglas obtained permission from the Court for the accused to take a seat.

Mr. Wilkinson informed the Court and jurors that the indictment which had been read set out three separate misdemeanours which the Crown said the defendant committed. Stripped of legal language the charge was that Mr. Butler Wright, being entrusted with the care, as chief accountant of the railway, of certain monies, used on three different occasions within the space of six months, part of those monies for his own use and benefit. The charge was that, having command of those monies as chief accountant of the railway, he transferred them to a private account of his own which he had as a private individual, and that by so doing he converted that money to his own use. In this case the Crown would, on the question of intention, and so as to make any defence which might be raised that these transfers were accidental or innocent, show that those transfers were made for the purpose of meeting certain payments which he intended to make on his own private account. As the charge was framed it was a charge of a form of larceny created by a statute of the present King; the first year of Edward VII. It did not create any new offence, so to speak, but it created technicalities, and decisions which had occurred in doubtful cases made it very difficult to state whether a person who dealt with money not his own was embezzling it or was simply stealing it. The Crown submitted in this case that this was the proper statute under which to proceed, but if the facts before the jury proved some other offence he would submit to His Lordship that under an Order-in-Council the accused could be found guilty of that offence. The case was a perfectly clear one. Mr. Butler Wright had control of monies of the railway, and on three separate occasions he transferred part of those monies for his own use and benefit. Dealing with the history of the case, the Crown Advocate said that the Canton-Kowloon Railway was an Imperial Government concern, and was to be built with the proceeds of a loan. The British and Chinese Corporation entered into an agreement with the Waiwupu under sanction of Imperial rescript by which they were empowered to raise money at Home by the flotation of Chinese Government bonds. One particular point about the agreement was that the proceeds of this loan were to be used for the construction of the railway. It was provided that there should be a British chief engineer and a British chief accountant, and it was also provided that there should be a representative of the Imperial Government. Of course the local representative of the Imperial Government was the Viceroy, but it was arranged that the Viceroy should appoint as director-general a Chinese official, and that this official should have associated with him the British chief engineer and the British chief accountant. The Central Government of China agreed to the wish to have an Imperial railway, that the funds for it should be raised in a certain way, and that the use of those funds should be guided, he might say checked, by the British chief accountant. The next point was that the payments of the British

chief engineer and the British chief accountant were agreed to, and contracts were entered into. When the bonds were issued to the public at Home the question arose as to how they were to be dealt with, and it was settled that after keeping a certain amount at Home to meet interest while the railway was under construction, and for the purchase of materials, the balance of the proceeds was to be remitted to the Hongkong and Shanghai Bank at Hongkong, there to be placed to a special account called the Kowloon-Canton railway construction account. When the funds were placed to that special account they were available to and could be drawn on by the office of the railway in Canton. The work in connection with the railway was being done in Canton, so it became necessary to make some arrangement for transferring from time to time and as necessity arose sums from the Hongkong construction account to some local accounts, where the money could be dealt with in payment of land necessary for the railway, wages and salaries, and in payment of work done for the railway. The idea was that the chief accountant should pay accounts, which were certified by the chief engineer, saving, of course, such accounts as were immediately in his own department, and that no payments should be made except for railway purposes. Moreover, the idea was that payments could not be made unless there was something to show why they were made. When it became necessary to have money in Canton a temporary arrangement was made and an account opened at the International Bank at Canton, but that account was closed, and had nothing whatever to do with the case. When that account was closed, after consultation it was decided that money transferred from time to time from the Hongkong construction account should be put into local accounts at the Canton branch of the International Bank. As Canton dollars were not the same as Hongkong dollars, and as some of the payments at Canton would be for salaries, and as some other payments would be for work and labour done, or for contracts made locally, the account in Canton was divided into a Hongkong currency account and a Canton currency account. There was therefore a large account in Hongkong composed entirely of the proceeds of the loan devoted to construction. From that account sums were transferred to a local account at the International Bank, Canton. The director-general in Canton, His Excellency Wei Han, could not always be at the office, and it was arranged that the two Canton accounts were to be operated on by Mr. Butler Wright. That was, a cheque was drawn by him, but not by him as Mr. Butler Wright, but as chief accountant of the railway. These accounts were opened merely for convenience of payment. The accounts were kept, and seemed to have been properly kept, up to about the end of September, 1908. An account with which the jurors would be more particularly concerned was an account known as "A 07," which was intended to show all the sums payable by the chief accountant, on the authority of the chief engineer, and the other account was one furnished from time to time by the chief accountant to His Excellency Wei Han for transmission to the Board of Revenue and other Boards at Peking. When the account "A 07" was first began it was kept very well. It only showed the amounts expended, and it also showed the numbers and amounts of cheques making up the monthly total. It appeared that from September, 1908, that account got into error and it was impossible to find out from it what the detailed cheques were in making out the total of the monthly payments. Early this year Mr. Grove, the chief engineer, naturally wished to know what relation the total expenditure on construction of the railway bore to the total amount obtained from the issue of the loan at Home transmitted to Hongkong, so the idea of an audit was in the air. Some time in June this question arose between the chief engineer and the chief accountant, and the official demand for an audit was made on August 6th, 1909. Mr. Butler Wright then wrote and stated that owing to some arrears on the part of the district engineers he had not got his accounts ready for audit up to June, but that he would have them ready on the last day of August. On September 1st those accounts,

apparently, were not ready, but Mr. Butler Wright applied for sick leave. Now, if the accused had felt that he was overworked he might have taken the sub-accountant into his confidence and asked for his assistance in getting the accounts ready for audit. Either the accounts at the end of June were then ready for anyone to see or they were not. They might not have been ready for two reasons; one, a criminal reason, and one, an innocent reason. The sub-accountant would be called and would state that the first he knew of the chief accountant going away was from an outside source. The accused applied for leave, and went away before it was formally granted on a doctor's certificate that he was suffering from overwork. There was not any specific disease, and no immediate breakdown, and if he had wished to assist the railway in making up the accounts he might at least have postponed his departure until he got his leave under agreement. On defendant's departure Mr. Grove's uneasiness regarding the accounts became a suspicion, and eventually proceedings were taken and the defendant arrested. There would be evidence on the question of intention to show that Mr. Butler Wright made disposition of certain parts of his property before he went away. The Crown Advocate stated that he now came to the three actual payments out of the railway accounts into the accused's private account, and for which Mr. Butler Wright stood charged. Accused's private account was kept in the International Bank, and in that bank there were three accounts with which he had something to do. There were two sub-divisions of the railway account—the Hongkong and Canton currency accounts on which he could operate by signing his name as chief accountant of the railway.

Mr. Douglas—I think it would assist everybody and avoid confusion if the accounts were called one, two and three, International Bank, and not called railway accounts at all. If not, he would trouble the Crown Advocate to call them each time by their full names.

The Crown Advocate—It is part of my friend's defence that they are all Butler Wright's accounts, but we intend to prove that two are railway accounts, and one is Butler Wright's private account.

His Lordship—I think the Crown Advocate had better call them what he likes just now.

Mr. Douglas—I don't want him to call them names they have not got. There is an account called the construction account.

The Crown Advocate In Hongkong.

His Lordship—Tell me what you propose to call them.

The Crown Advocate—One is, W. Butler Wright, Esq., Chief Accountant, Canton-Kowloon Railway, Hongkong currency account. The other is, W. Butler Wright, Esq., Chief Accountant, Canton-Kowloon Railway, local small currency account. Now what I propose to do is to call those two accounts the local railway accounts, Hongkong currency and Canton currency. Further, there is the original account, which is entirely kept in Hongkong, and called the construction account, which is fed by the proceeds of the loan from Home.

Continuing, the Crown Advocate said there were in the bank at Canton the two accounts which had to do with the railway, and a third account which was Mr. Butler Wright's private account. The three particular transactions which formed the basis of this indictment were the payments from the local railway Hongkong currency account to Mr. Butler Wright's private account of \$5,000 on the 14th September, \$13,000 on 30th December, and \$4,000 on 4th February. Evidence would be called to prove that the payments out of the chief accountant's account in the International Bank were made on cheques drawn on him in the usual way as chief accountant of the railway. Then these amounts were paid into the credit of his private account. Just before these payments in to Mr. Butler Wright's private account, the jurors would hear what the credit of that private account was. Then it would be proved that shortly after these payments in, payments out were made to persons entirely unconnected with the railway, and the payments were enabled to be met by these transfers of monies from the railway to his own account. A man might make a

mistake once, but he was unlikely to do it twice unless he was doing it for a deliberate purpose. Mr. Butler Wright's private pass book was sent to him between the time of the first of those payments into it and the second, therefore he was quite well aware of the money drawn from the railway account which had gone into his private account. One of the defences might be that Mr. Wright, having large private means and having to do with large amounts of money, intended to make payments that day, and not having funds to provide for the amount, borrowed money from the railway. If he did that, the first thing would be to pay the amounts back again, and \$10,000 out of the second of the amounts, \$13,000, was used for a loan on silk which was paid back to him, but the accused did not pay it back to the railway account. On June 29th, after the suggested audit, the accused did, as far as they could understand, make an attempt to pay back the money. The jurors would hear from the representative of the firm which formerly acted as agents for the Hongkong and Shanghai Bank in Canton that the accused transferred back to the construction account certain sums of money, one in cash and two in cheques, but the financing was such that even if that was a belated attempt to pay back it did not succeed. "Why," asked the Crown Advocate, "should anyone pay back to the construction account in Hongkong, which was fed from home? Why should the money not have been paid back to the railway in Canton?"

His Excellency Wei Han, manager of the Chinese section of the Canton-Kowloon railway, deposed to the railway being constructed by loan. Witness told the Court of the terms of the loan agreement, and of the various railway accounts. He had heard the name of Mr. Wilks, a Hongkong engineer, but he did not know whether that gentleman had had anything to do with the railway construction, neither was he aware that a British naval officer was attached to the railway. Witness said he wished a prosecution if any money was found missing from the railway accounts.

Cross-examined by Mr. Douglas, witness said the construction account was drawn on by the joint signatures of himself and the accused. He could not remember whether a construction account was opened at the International Bank, Canton, to be drawn upon by himself and Mr. Grove. Apart from land payments, the cash payments of the railway were fairly large, and cash payments were made entirely by the chief accountant. Witness had just as much confidence in Mr. Butler Wright as he had in Mr. Grove. Strictly speaking, the keeping of money in other banks than the Hongkong and Shanghai Bank was not in accordance with the agreement. A sum of money had also been paid into a local Chinese bank, but if that bank was to fail witness would be responsible for that money.

The cross-examination of His Excellency Wei Han was continued after the tiffin adjournment. Witness said there was some correspondence between him and the British and China Corporation with regard to putting 100,000 taels in a Chinese bank, and the Corporation informed him that such a proceeding would be contrary to the agreement. Sometime ago accused put before witness people who would lend the Chinese Government money at lower interest and less guarantee.

Do you remember a memorandum Mr. Butler Wright wrote to you with reference to the transfer of funds from London to the Hongkong and Shanghai Bank?—Yes.

His Lordship—Are you going to produce this memorandum?

Mr. Douglas—I have a copy of it.

The Crown Advocate—I object unless it has something to do with the evidence.

His Lordship (to Mr. Douglas)—I don't see how you can put a copy in. It might not be a correct copy.

Mr. Douglas—I will have to refer to these negotiations.

His Lordship—You can refer to the negotiations, but you cannot go into details.

Mr. Douglas (to witness)—Will you give us your recollection of what transpired?

Witness stated that when the exchange was favourable he wanted to transfer £500,000 from

London to the Hongkong account at the telegraphic transfer rate.

And you were refused permission to transfer that sum?—Yes.

His Lordship—By whom?

Witness—The Hongkong and Shanghai Bank.

When did you learn that proceedings had been instituted against Mr. Butler Wright?—After September 3rd.

Have you from time to time asked Mr. Wright to buy drafts on London for you for about £30 or £40?—Yes.

And you have subsequently reimbursed him?—Yes.

You have private expenses to meet in England, have you not?—Yes.

And if you did not pay him on the day you asked him to buy the drafts, he would have to pay the money himself?—Yes, but I always paid the money into the International Bank on the same day. I don't want to get something for nothing.

Was not a cheque for \$17,000 for the purchase of land put in the International Bank?—No.

May it not have gone into the International Bank?

The Crown Advocate—I object. Where is the cheque, what is the amount, and what was it drawn for?

His Lordship (to Mr. Douglas)—You had better not ask any more questions about that cheque unless you can produce it.

You previously said in your evidence that it would be improper for Mr. Butler Wright to transfer money in the Hongkong currency account into the construction account in the Hongkong and Shanghai Bank?—Certainly.

In re-examination witness said he had heard of no objection by the Hongkong and Shanghai Bank to the transferring of lump sums from the construction account to Canton.

Mr. H. S. Chow, secretary to the last witness, was called.

Mr. H. W. Looker, after apologising to His Lordship for not appearing in official raiment, proceeded to examine the witness. He said the accounts produced were the originals, and on them were details showing how the money drawn from the construction account was expended. The accounts for the third quarter of September were supplied by the defendant but did not show any payment of \$5,000 to E. C. Wilks on account of the railway. Neither was any payment of \$10,000 to Tai Lee shown on the accounts in his possession. The details for the first quarter of this year did not show any payment on account of the railway to E. C. Wilks, Tai Lee, or any naval officer. The details were made out entirely in Hongkong currency, which was the more valuable in the money market. Witness was not supplied with any vouchers.

Cross-examined by Mr. Douglas, witness said the statements were given in considerable detail, and the compilation of them would take considerable time. He had not been supplied with the June account for this year. When witness doubted any item on a statement he asked for inspection of the voucher in the chief accountant's office, and was shown it.

Mr. E. C. Wilks, consulting engineer, said that as Wilks and Jack he had had many dealings with the railway. He had met defendant on many occasions, and had had private dealings with him. The railway business witness did with Mr. Wright was in connection with the firm. On September 14th witness received a cheque for \$5,000 from defendant. All railway accounts in connection with the firm had been settled.

You also, I suppose, deal in shares?—Sometimes, to my sorrow.

And this was a share transaction?—It was.

Mr. Frank Grove, engineer in charge of the Canton-Kowloon Railway, Imperial Chinese section, said he began actual work on the line on August 12th, 1907. He was responsible for the correctness of the amounts paid out of the railway funds for constructional purposes. Accused, as chief accountant, had the control of the accountant's department, but had to receive authority from witness before making payments in connection with construction work. For ordinary payments accused would require a voucher initialled by witness. H.E. Wei Han had also the authority to authorise

the accused to make payments. The only payments accused could make without authority were petty payments with regard to head office. The head office was under the direction of H. E. Wei Han, who did not concern himself in any way with the actual details of the construction of the line. Prior to the arrival of the accused in Canton witness kept the accounts. There was then started a local construction account, but witness could not remember whether he drew cheques on his signature, or whether he and Wei Han signed jointly. That construction account was ultimately closed. It came within the province of witness to keep himself informed from time to time as to the amount of money expended on construction account so that he could compare the cost with his estimates. The suggestion for an audit this year emanated originally from witness. He first suggested it confidentially to the agents of the Corporation, and it was eventually decided to hold one. The official audit was first mentioned to accused on August 8th, but on June 26th witness wrote to defendant asking for bank balances. These he did not get, and he did not get a completed summary such as he required until a few days before the defendant left the office. These returns dealt with a bygone period, but they were of use to him. Witness should look upon the repayment of any sum to the construction account as requiring an explanation, and as extraordinary. Witness had no objection to the defendant being away while the accounts were being audited, because the auditor said it would make no difference to the audit. When Mr. Power handed witness defendant's private pass book he was surprised at some of the items he saw in it. There was one for \$5,00 and one for \$13,000. After seeing these items witness visited the International Bank and made inquiries. As a result he interviewed the British Consul-General, wired the British and China Corporation, and eventually applied for a warrant. Witness had a conversation with H. E. Wei Han after he had applied for a warrant as engineer in chief of the railway. He knew Mr. E. C. Wilks, but did not authorise a payment of \$5,000 to him for work done on behalf of the railway. Neither did he authorise a payment of \$10,000 to a man called Tai Lee, or \$5,000 to a naval officer. Witness did not require or authorise any payment back to the construction account.

Mr. E. C. Wilks, recalled, in reply to Mr. Douglas, said that he received a letter from Mr. Butler Wright dated 20th August in which the accused stated that he wanted to get away for a holiday next month, as the heat was telling on him more than he cared to admit.

At this stage the Court rose.

SECOND DAY.

Mr. Frank Grove, engineer in charge of the Chinese section of the Canton-Kowloon Railway, was cross-examined by Mr. Douglas. He said he derived the definition of duties of the chief accountant from the loan agreement, and from general practice. The procedure adopted had been recognised and approved by the managing director. Witness knew something about accounts, as he had had experience as district engineer and engineer-in-charge in West Africa, Bengal and Tasmania. The official audit was notified on August 6th, and previously witness wrote for bank balances, but he did not wish the Court to understand that he was refused the information. It was mentioned to witness about an account being opened in the International Bank at Canton in the name of Mr. Butler Wright. No official letters passed between witness and the accused or the managing director with regard to such account. He remembered a conversation in which he stated that when the Hongkong and Shanghai Bank opened an account in Canton the funds should be transferred to that bank from the International Bank. The accounts in the International Bank had been closed since September 1st. Witness had a conversation with the manager of the International Bank on the telephone, but nothing was said about the Hongkong Currency Account. Witness' intention in writing for bank balances in June was for the purposes of

an audit. He could not understand how the accounts were kept.

As a matter of fact you found them unintelligible?—Yes.

An experienced man of accounts, and you found them unintelligible?—Do you refer to the quarterly return?

I have asked you my question. Do you find the form of the accounts unintelligible?

His Lordship—Do you mean the bookkeeping?

Mr. Douglas—I mean the whole system in which the accounts are kept and presented at the end of the quarter.

Witness—I cannot speak of the whole system.

Mr. Douglas—I am speaking of the construction account.

Witness—There is no form in the various books of record. They are unintelligible to anybody.

Have you ever been in Government service?—In India.

In a Government railway?—Yes.

Not in the accounts department?—I was district engineer, and had the spending of large sums of money during a period of seven years and accounted for the same.

And with that experience you found those accounts unintelligible?—The accounts I refer to, recorded in the books, I certainly did find unintelligible.

Did you ever ask for an explanation?—At what particular period are you speaking of?

When you wanted enlightenment?—There is a letter in Court explaining.

With regard to the balances, did you ever ask Mr. Wright for explanations of what you could not understand?—Certainly, I did.

Did you get those explanations?—Not in the form I required.

Did you get them?—Up to a certain date, but not in the form I required.

Not in a form you could understand?—In a form I could understand, but it was not complete.

Latterly you did not confer with the chief accountant at all when you wanted an explanation?—I did.

But you were more apt to think you could get any information out of his assistant?—His assistant was working on the special work of analyses which I required, therefore it was natural I should have a good deal of conversation with him on the matter.

And you did have a good deal of conversation with him?—Yes.

At times when the chief accountant was absent?—Sometimes he was absent, but generally he was present.

Have you, as a matter of fact, any doubt as to the experience of Mr. Butler Wright in accounts?—No.

You mentioned to Mr. Wright the steamer he was leaving by?—No.

When did Mr. Power give you Mr. Butler Wright's private pass book?—On a Friday morning.

Was it in an envelope, or had it already been opened?—It was opened.

It was handed to you?—Yes.

And you had no hesitation in making a thorough examination?—No.

Upon the information you got out of that book these proceedings were commenced?—Yes.

And commenced after reference, first of all, to the British and Chinese Corporation in Hongkong?—Yes.

Their reply was prosecute?—Procure a warrant.

What time did you get that?—About 3 p.m.

I suppose you would verify the pass book between ten and twelve?—That is so.

It was well known, was it not, that Mr. Wright left for Shanghai by the *Tenyo Maru*?—It was well known before the 6th.

It would have been quite possible for a telegram to have been sent to the British Consul-General at Shanghai requesting Mr. Butler Wright's return on important matters connected with accounts?—I cannot reply to that.

You never thought of asking that should be done?—No.

Is there another possible reason than that the defendant was going to abscond for packing up his goods?—No answer.

Answer?—Yes.

Let us have it then? We have not had it yet?—Certainly. I will speak in a fair-minded manner.

Let us have it?—I understood that accused would be ready to move down to Tungshan on October 1st.

Had not orders been given that the railway office should remove to Tungshan on that date?—Yes.

A house has been built for yourself and Mr. Butler Wright down there?—A house was provided.

And the house provided for the defendant is not a very commodious one?—There is nothing the matter with it.

It is not a very large one? What would you call a large house?

Well, it only cost \$8,000, and yours cost \$20,000!—Would you call my house a large house?

I have not seen it, but I understand Mr. Wright's is not very large.—As large as railway quarters usually are.

But it would be hard to take his furniture from Arnhold, Karberg's spacious flat, and to put it into the house provided?—Yes.

You have had one or two causes for friction with Mr. Butler Wright?—Not that I'm aware of.

Do you remember having a conversation with Mr. Wright about a memorandum he wrote upon the transfer of funds from London?—Yes, but I cannot remember the actual words that passed.

Do you remember saying to him that he was a fool to take the Chinese view of the matter?—I did not.

You are both servants of the Chinese Government, are you not?—Yes.

And not servants of the British and Chinese Corporation?—Yes, jointly.

Was there any other matter on similar lines that you had a conversation with Mr. Butler Wright about?—We discussed a great many questions.

Do you remember a difference of opinion between you and him as to whether a sum of £8,000 should be included in the account to be submitted to the Board of Posts and Communication?—I don't remember any special difference of opinion.

The British and Chinese Corporation have, as a matter of fact, kept back that £8,000. What for?—For preliminary surveys made about ten years before.

You expressed the opinion that you considered that correct?—I don't remember expressing any decided opinion about it. It did not come into my province.

Did you not have a difference of opinion with Mr. Butler Wright on this point when he insisted upon that amount being kept open in the head office as a debit against the British and Chinese Corporation?—No.

Mr. H. W. Kenney, acting manager of the International Banking Corporation, Canton branch, gave evidence as to the accounts opened by the accused in that bank, of the amounts deposited, and of the sums withdrawn. His testimony showed that large sums had been transferred from the railway accounts to defendant's private account, and that at times when certain of these transfers were made the balance at credit of defendant's private account would not have enabled him to make certain withdrawals which he did.

In cross-examination witness said the old construction account in his bank was operated upon by His Excellency Wei Han and Mr. Frank Grove. The railway accounts in the bank could only be drawn upon by Mr. Butler Wright as chief accountant. On June 29th \$20,000 was transferred from the Hongkong currency account to the local currency account, and the remainder, excepting the interest, to the Hongkong and Shanghai Bank's agents at Canton. On the following day the interest was transferred to the local currency account. Mr. Grove informed witness that he did not know the chief accountant had a Hongkong currency account.

His Lordship—What was the state of Mr. Butler Wright's account when he left Canton?

Witness—He had a credit balance of \$2,879.60.

In re-examination witness said there was no balance in the Hongkong currency account on June 30th, and there being no balance was the

same thing as the account being closed. The final entry in the Hongkong currency local account was a credit from the local currency account for \$13,315 80.

Before that transfer was made the Hongkong currency account was overdrawn by that amount?—Yes.

Who had drawn the cheques which resulted in that overdraft?—Mr. Butler Wright, as chief accountant.

Mr. G. Richarme, manager of the silk department of Messrs. Jardine, Matheson and Co., Ltd., examined by Mr. Looker, said Mr. Butler Wright told him he should like to invest some money which he had idle. Witness suggested that he should invest it in silk, and subsequently informed the accused that he had a Chinese client. The amount required was \$10,000, and witness received a cheque for this amount and handed it to the Chinaman. The interest was \$7 per thousand. The cheque had since been repaid. Witness had 13 cases stored in his godown for Mr. Butler Wright.

Cross-examined by Mr. Douglas, witness said that he made the offer to Mr. Wright to store any goods for him, as he was removing to Tungshan.

Mr. F. Lorria, examined by the Crown Advocate, said the defendant asked him to sell some goods for him by auction. He also asked him to send three cases to Mr. Wilks and to return certain things to other people. He did not send the cases to Mr. Wilks, as the Consul asked him for the key.

In cross-examination witness said the defendant put a limit on the things he asked him to sell.

His Lordship asked if, apart from the furniture packed up and the goods to be offered for sale, there was sufficient furniture to furnish a house?

Witness—Certainly.

His Lordship—After everything was sold that you were asked to sell, would there have been sufficient?

Witness—I don't think so. The house could not have been properly furnished.

Mr. Douglas—You were asked not to sell a bedroom suite, a quantity of crockery, and a smaller sitting room suite?—Yes.

At this stage the Court adjourned for tiffin.

Superintendent of Police A. P. Brindle was the next witness. He spoke to taking possession of Mr. Butler Wright's effects under instructions from the Consul-General after the defendant left the Shameen. Witness' first visit was on the afternoon of Friday, 3rd September. He found all the rooms half furnished, and saw five packing cases in the passage way. There was no address on any of them, so witness did not take possession, but he took possession of the furniture found in defendant's room.

Cross-examined—Are you sure there were not two big cases in a spare room?—No.

Mr. E. O. Stanton, manager of Messrs. Deacon and Co., examined by Mr. Looker, stated that his firm formerly acted as agents in Canton for the Hongkong and Shanghai Bank. On June 29th Mr. Butler Wright paid them on account of the Canton-Kowloon Railway the sum of \$12,814.78.

Mr. J. O. Power, sworn and examined by the Crown Advocate, said he was assistant accountant of the Chinese section of the Canton-Kowloon Railway. He knew the defendant and had known him elsewhere. Witness did not know whether the defendant had private means. He remembered when Mr. Wright left Shameen, and heard he was going to leave. When witness called at the office on the 1st September he saw the defendant, and told him it was rather an awkward time for him to go away while the auditors were there. Subsequently the defendant wrote asking him to call at the head office to take over charge. He was to take charge on Friday, but Mr. Wright left on Thursday without handing over, and without explaining the accounts. Witness left the Shameen on Wednesday expecting to see Mr. Wright again on Friday. When he arrived, however, Mr. Wright had left. Before this time the defendant had never explained to him the working of the accounts in the International Bank. Witness had never seen the accounts, as the journal, the cash book and the ledger were kept in the safe. Witness had

been employed and drew a pension from the Indian railways, and knew about the workings. He used to furnish the defendant with the figures on account of construction. The quarterly statement up to 30th June, 1909, was ready to go out on 28th August, but witness did not like to send it out until; he had thoroughly examined the figures and the details of construction had to be supplied by him from accounts that were under compilation. All witness had to do with was the actual expenditure of the construction of the railway. Account "Ao7" was supposed to be a summary of accounts paid by the accounts department on the authority of the engineer-in-chief. The last completed "Ao7" account was made out in August, 1908. When witness arrived in Canton in March he was not asked to try to make up arrears in the office especially with regard to the "Ao7" account. It was not an Indian form of account, but simply adapted to local condition. When witness saw the cash book it was not in the way he expected it to be. Since defendant left he had done his best with regard to the accounts, and had kept the current things going on. As far as railway accounts went he thought there were few men in the country who knew better how to keep them than the defendant. Witness did not find any cash balance in the accounts. Up till September, 1908, there were correct allowances made for the difference between Hongkong and Canton currency, but after that date exchange was not put in the quarterly balance sheets.

Cross-examined by Mr. Douglas, witness said he first heard the defendant was going to leave the Shameen from the Chief Storekeeper at Tungshan. It was not extraordinary that the books of the railway should be kept in a safe. Witness was not feeling very well when Mr. Wright was about to leave, but he did not feel nervous at the defendant's departure. He simply thought that the accounts should be explained to him in case of the auditors asking any questions. Witness was actually working on the details of the construction account. Witness put in a statement of the gain by exchange not accounted for. This item made the June account incorrect. There was also another mistake owing to the omission of some figures furnished to the chief accountant during the absence of witness, which he had since verified. He thought that an amount had been deducted twice from the construction account.

I put it to you that the accounts "Ao7" are liable to give misleading information, because they do not distinguish between Hongkong and Canton currency?—That is so.

Do you consider that the present railway cash book is inadequate?—Yes.

Have you not been told so by the auditor?—It is not his opinion I am stating. It is my own as well as his.

I believe you stayed with the defendant when you first came here?—Yes.

And you know something about his previous career?—Yes, I knew him in India in the early 'eighties, when he was drawing a salary of 1,000 rupees a month.

I believe you've heard a lot of "Matherite," have you not?—Yes, I've heard a lot about it.

Has the defendant ever told you whether he was making money out of it?—He told me he was doing very well.

I believe when you were in London you assisted to advertise it?—I had a business in London, and the defendant asked me to take up the agency for it. I did, but did not do much with it.

When in the head office you found an envelope addressed to Mr. Wright and containing his pass book?—Yes.

And you opened it?—Yes.

And read the pass book through?—No.

What did you do with the book after that?—Gave it to Mr. Grove.

And Mr. Grove took it away with him?—Yes.

Before Mr. Grove left did he mention to you that the defendant might have private means?—No.

The pass book was regarded as suspicious?—It was.

Previous to September 9th there were many wild rumours as to the amount of Mr. Butler Wright's defalcations?—Yes.

Were you responsible for any statements made outside the office as to the amounts?—I was not.

Will you swear that?—Yes.

You never mentioned any amount as being approximately the amount already discovered of the defalcations?—I might have.

I don't mean to your official superiors, but generally outside?—I have no distinct recollection of fixing any definite amount.

There was a statement in the public press that his defalcations had already reached 60,000. Were you responsible for mentioning that figure?—Not in the least.

Mr. E. A. M. Williams, accountant in the office of Messrs. Lowe, Bingham and Mathews, of Hongkong, said his firm was instructed to audit the accounts of the Canton branch of the railway and the audit was begun on September 1st. The payments to Messrs. Wilks, Tai Lee and a naval officer had nothing to do with the railway. Witness did not know where the credits in Mr. Butler Wright's private account in the International Bank came from. Up to September there were \$39,500 not accounted for in the railway accounts. In the same month of the previous year the accounts were kept better than they have been kept since, and he saw no reason why they should not have been carried on in the same way. He had to ignore the cash book kept and write a new one up. Witness did not think any accountant who saw the accounts on September 1st last would say that they were in proper order.

The Court rose until 9.30 a.m. on Friday.

NEW PROSECUTION UNDER COMPANIES' ORDINANCE.

The hearing of the cases in which the Kwong Kee Ferry Co., Ltd., and the Kwong Shun Steamboat Co., Ltd., were prosecuted for failing to comply with the provisions of sections 30 and 31 of the Companies' Ordinance in that they failed to forward to the Registrar of Companies a copy of the list of persons who on the fourteenth day after the holding of the ordinary general meeting for the year 1908 were members of the Companies, and of the summary required by the said sections, was concluded before Mr. J. R. Wood at the Magistracy on Monday. This was the first occasion in which a prosecution of the kind had been brought under the sections mentioned.

Mr. H. J. Denny, Jr., from the office of the Crown Solicitor, prosecuted, and Mr. F. Paget Hett (of Messrs. Brutton and Hett) appeared for the defendants.

Defendants' solicitor raised the defence that neither Company had held its ordinary meeting.

His Worship said he intended to give judgment against each Company, but seeing that it was the first prosecution of the kind, and that there were extenuating circumstances in the fact that the managing director had died some time ago, he would impose what he considered a nominal penalty. A fine of \$100 would be inflicted in each case.

SALVAGE OF A DESTROYER AT HONGKONG.

NAVAL CHIEF CONSTRUCTOR PRAISED.

The following extract is from the *Naval and Military Record*:—The Lords of the Admiralty have expressed their high appreciation of the zeal and judgment shown by Mr. W. Hockaday, Chief Constructor at Hongkong, who about a year ago succeeded in raising the destroyer *Whiting*, which had been blown ashore during a typhoon.

MACAO CONTRACTS FOR SHANGHAI.

The *N.-C. Daily News* learns that the Shanghai Dock and Engineering Co., Ltd., has been favoured with instructions by the Governor of Macao to build four steel self-discharging hopper barges with all necessary door lifting and lowering gear. The first two barges are to be delivered in Hongkong Harbour within three months from date of order and the remaining two six weeks later.

HONGKONG TECHNICAL INSTITUTE.

ANNUAL PRIZE DISTRIBUTION.

The Hon. Mr. A. W. Brewin, Registrar-General, presided at the annual distribution of prizes of the Hongkong Technical Institute, held at Queen's College, last evening. Mr. T. K. Dealy, Director of Education, the Hon. Mr. P. N. H. Jones, Director of Public Works, and Messrs. E. Ralphs (Director of the Institute) and H. Sykes were also present.

The Hon. Mr. BREWIN, after distributing a large number of prizes won by successful students, said this was the second time he had had the pleasure of presenting the prizes. On the first occasion the Institute was hardly on its legs, but now he could congratulate the Director, Mr. Ralphs, and the various teachers, on its flourishing condition. At the last annual examination there were 100 students examined, and of these 87 per cent. passed. He had the pleasure that evening of distributing 105 ordinary certificates and 33 certificates of passes with distinction. This showed clearly, he thought, that the Institute was filling a want in Hongkong—a want which could not be made good by any existing school or, he thought, by the university which we hoped to have with us soon. The number in attendance during the session was 255. Of these only 52 per cent. presented themselves for examination; but he did not think they should complain, because, of the 19 who presented themselves, 87 per cent. passed, while the other students who did not present themselves for examination perhaps only attended with the indefinite object of improving themselves and getting a little general knowledge. But the students who had gained certificates, he presumed, were all ambitious to do something, and the speaker asked them to remember that nothing could be done of any value without effort and without perseverance. They should not be content simply with attending, but should work hard after they had finished their lectures, and then he hoped they would be given certificates of distinction. He was glad to see that the Director had succeeded in starting lectures on political economy, and that they seemed to be appreciated. If any of the Chinese students present aspired to take a part in public affairs, like many old Queen's College boys had succeeded in doing, they would find a knowledge of political economy indispensable for the public service. They might have read in the newspapers these last two or three days the discussion about subsidiary coinage. Coinage was a question which could not possibly be understood unless they had studied political economy, and they would hear all sorts of blunders committed by very clever men simply because they had not studied that science. He was glad also to see that a large number of students were studying English. There were plenty of careers open for Chinese with a good knowledge of English. But unless they were able to pick up an English novel and read it with pleasure—and he did not think many of those present were in the habit of reading English for pleasure—they should not be satisfied. To some of the students present this would be the third and last session at the Institute. He would ask those students who were attending the engineering classes to remember that a certificate of distinction might be of the greatest value to them, particularly if they looked forward to entering the university to study engineering and to take it up as a profession. It might be possible for Mr. Ralphs to persuade the university authorities to recognise such a certificate of distinction, and to allow it to count for so many months' or perhaps a year's study at the university. The speaker asked the students to bear that in mind, and to work their hardest during next year. He had nothing more to add, and would not detain them longer, as it was almost time for the first lecture to commence. (Applause.)

Mr. DEALY proposed a hearty vote of thanks to Mr. Brewin for his attendance. The Registrar-General has many calls on his time and attention, but he was so keenly interested in the work done at the Institute that he willingly attended to distribute the prizes.

The vote was carried by acclamation, and the proceedings ended.

CANTON.

(FROM OUR OWN CORRESPONDENT.)

October 11th.

HIGHWAY ROBBERY.

Yesterday, on the outskirts of Fatshan, a man was walking along carrying a bag containing pieces of copper. Certain rascals saw him, and concluded that he was carrying a bag of dollars to the bank. They waylaid the man, intimidated him with firearms and decamped with the booty. One can imagine their feelings when they opened the bag! Several cases of highway robbery are daily reported from outlying districts, for some of the country places are terrorised by roaming bandits, and the law seems unwilling or, perhaps, powerless to restore order. It is only in the better policed districts that property is safe from these marauders.

THEATRICALS AND GAMBLING.

In a village of the Nam Hoi District a large shed was erected for the purpose of serving as a theatre. Unfortunately the troupe did not confine themselves to their legitimate histrionic business, but opened a booth as a "side-show" for cricket-fighting. Gambling goes on to a great extent on the results of these insect combats, and the authorities have lately made some endeavours to put it down. The village elders of this particular place tried to uphold the authority of the law regarding this matter, but their exhortations were of no avail. They have had their revenge, however, for some of them having occasion to come into the city approached the authorities and the result is that all theatrical performances have been prohibited in the village.

BIRTHDAY OF CONFUCIUS.

Yesterday, the educational world of the city was *en fête*, the reason being that the day was the anniversary of the birth of Confucius. All schools were accorded a holiday and were in some cases beautifully decorated. The offices and the native newspapers, book shops, and all places having any connection with learning were closed for business and were beautifully ornamented with flowers and flags. On the Bund were to be seen many schools marching in procession to the great Confucian Temple in the city. Some of these were in uniform, with flags flying, bugles blowing and drums beating. One school was provided with a complete set of instruments to form a brass band, but as none of the scholars knew how to play the instruments they contented themselves with carrying them in their hands. However, the drummer and trumpeter of the band made up for the others, for the noise they made was enough to split one's ears. The Temple itself presented a most animated appearance. The building covers an enormous space of ground and has many courts and passages. All these were thronged with spectators and several go-a-head pedlars were busy selling prints, warranted to bear an authenticated likeness of the great Sage. The actual Shrine, that is, the one containing the sacred tablets, is of comparatively small size, and at least three-fourths of it were crowded with coolies, beggars and street gamins. Such were the bad arrangements that the various schools had to force their way through this mass of humanity before they could approach the altar, and the bowing was done in such a rapid and careless manner that the ceremony was robbed of all vestige of solemnity. After the obeisances had been made the schools had to struggle again to get out of the sacred building. Within the temperature was like that of an oven, while the smells arising from thousands of perspiring humanity were anything but pleasant. Outside the building containing the shrine a brass band emitted horrible sounds at intervals. The whole arrangements reflect but little credit upon those responsible, for a ceremony that might and should have been imposing was made painful and ridiculous by want of organization.

October 13th.

UP-TO-DATE BRICKS.

A Mr. Kwok Fung Ye has petitioned the Taotai for the Development of Native Industries for permission to float a company for the purpose of making bricks by Western methods. There is a great deal of building going on

round about Canton, especially outside the East Gate, and just at present good bricks are at a premium. Mr. Kwok intends to import a set of modern brick-making machines and the business, if started, will be carried on under the style of "Wai Man." The Taotai has asked for further particulars as a prospectus of the proposed company was not sent in. He states, however, that provided the new method of brick-making does not infringe anyone's patent rights permission will doubtless be granted.

OPIUM TRAFFIC.

There are many good citizens in Canton who are doing all in their power to put a stop to opium-smoking. Among them is Lai Kwok Cho, who has sent in a petition to the Taotai of Constabulary suggesting that the retailers of prepared opium be compelled to keep a register of their customers, the register to contain the name, address and amount allowed to be bought by each purchaser. In this way, he argues, it would be possible to keep a check on all the opium-smokers in the city, and it would also prevent persons from buying more than their licence permits. The Taotai has praised the scheme and there is some likelihood of its being introduced at no distant date.

ECONOMY.

The Viceroy has received a despatch from the Minister of Finance stating that owing to the scarcity of public funds all the departments of the Provincial Government must be managed with the utmost economy.

HONOURING THE DEAD.

Yesterday the leading citizens held a solemn service in one of the temples in honour of the recently deceased Chang Chi Tung. The departed official is reported to have done a great deal for the benefit of Kwong Tung while he was Viceroy of the province, and the ceremony was, in consequence, very largely attended.

MACAO BOUNDARY QUESTION.

A good many natives of the city seem determined not to let the Chinese and Portuguese Governments settle the boundary dispute in their own way. Petitions are continually being sent in to the authorities suggesting various methods of ending the dispute and not a few of these would doubtless disturb, if followed, the pacific relationships that exist between the two governments. One of the latest schemes, sent in by a Cantonese merchant, suggests that the localities near the disputed boundary be filled with soldiers, "in case of accident," as the petition puts it. The authorities have hitherto had the good sense to pour cold water on these firebrand schemes, and their authors have been admonished not to disturb the public peace with their alarms.

SUSPECTED ARSON.

A day or two ago a fire broke out at midnight in Ling Chung Street in the City. Several buildings were totally destroyed and no less than 18 persons were severely injured. There were several suspicious incidents connected with the fire that point to arson, and the authorities have ordered a strict investigation to be made into the origin of the conflagration.

CHANGE OF OFFICIALS.

The newly-appointed Provincial Judge is due to arrive here to-morrow morning by the s.s. *Chan On*. Chan Mong Tsang, the acting judge, will then return to his substantive appointment as Taotai for the Development of Native Industries, while the officer who has been acting for him will return to the Eastern Provinces.

IMPENDING OFFICIAL CHANGES

His Honour the Chief Justice, Sir Francis Piggott, left by the French mail on Monday afternoon for a fortnight's stay in Shanghai. He will then return to the Colony, deliver the judgment he has on hand, and depart by the same vessel for Home on long leave.

We understand that the Hon. Mr. W. Rees Davies, K.C., Attorney-General, will act as Chief Justice during His Honour's absence, that Mr. F. A. Hazeland will succeed Mr. Davies as Attorney-General, that Mr. J. R. Wood will preside as First Police Magistrate, and that Mr. E. R. Hallifax on his return to the Colony will act as Second Magistrate.

THE HONGKONG UNIVERSITY.

ANOTHER HANDSOME CHINESE DONATION.

We are informed that Mr. Cheung Pat Sze, a prominent resident of Canton, has forwarded to H. E. the Governor towards the University endowment fund the handsome sum of \$100,000, which he has succeeded in collecting from residents in the Canton district.

THE KING'S INTEREST IN THE PROJECT.

With reference to the recent announcement the His Majesty's Government had decided to provide an annual sum of £300 for scholarships at the Hongkong University open to British subjects, we are informed that H. E. the Governor yesterday received an intimation that His Majesty, as a mark of his personal interest in the proposed University, has been graciously pleased to direct that the holders of these scholarships shall be styled "King Edward VII Scholars."

Lord Crewe adds that he is sure that the Community of Hongkong will receive this intimation with much gratification and that it will enhance the prestige of the scholarships. Their number and value, and the conditions under which they are to be held, and the Faculties to which they are to be attached, are left to the discretion of the Governor, with the suggestion that they should be confined to Hongkong or Straits-born Chinese.

EDUCATION ASSOCIATION OF CANTON.

At the January meeting of the Canton Missionary Conference, a Committee was appointed to consider the formation of a branch of the Educational Association of China, whose object is the promotion and improvement of Christian education. This Committee met and unanimously concluded that such an Association ought to be formed, and called a meeting of the friends of education to consider the question further. At this meeting, after discussion, it was voted to proceed at once with the organization, and Committees were appointed to report to a subsequent meeting. This meeting was held on April 24th, 1909. A Constitution was adopted defining the aims of the Association and the plan of organization.

After the Constitution was adopted, the organization was completed by the election of the following officers and committees:—President G. W. Greene. Vice-President, Mrs. C. A. Nelson. Secretary and Treasurer, H. B. Graybill. Executive Committee.—G. W. Greene, Mrs. Nelson, H. B. Graybill, Miss Noyes, E. Dewstoe. Programme Committee.—J. J. Boggs, Mr. Chung, Miss Lowry. Committee on Institutes.—C. A. Nelson, Miss Myers, Miss Anderson, Dr. Graves, Mr. Crane. Secretary of Information, Mr. Laird.

The next meeting of the Association will be held on Saturday, October 9th, in the lecture hall of the Medical College, Canton Hospital.

WEIGHTS PROSECUTION.

At the Magistracy on Oct. 13 Mr. F. A. Hazeland delivered his written judgment in the case in which the Mitsui Bussan Kaisha were summoned for using unjust scales on board the *Fukui Maru* and the *Shibetori Maru*. In the first case defendants had been fined \$800, but a re-hearing was granted and the decision reserved. His Worship said that the defendants showed great carelessness in not having their scales tested and he did not propose to alter the fine which he had previously imposed. With regard to the second offence, which he treated as being in the nature of a concurrent offence, he inflicted a fine of \$100, \$50 for each scale which was shown to be to the prejudice of the purchaser.

An interesting prosecution was opened at the Magistracy yesterday before Mr. J. R. Wood when a Chinese official charged a Hongkong marriage broker, whose address was given as 158 Queen's Road Central, with having on the 13th April last obtained the sum of \$240 gold and \$500 Mexican and taels 412 by falsely representing that a certain girl was free and able to contract marriage according to Chinese custom. Mr. Hind, of Messrs Brutton and Hett, appeared to prosecute, defendant being represented by Mr. Léo d'Almada. The hearing was adjourned.

COMPANY REPORT.

NORTH CHINA INSURANCE
COMPANY, LIMITED.

The Report for presentation at the sixth ordinary general meeting of shareholders, to be held at the Shanghai, on the 19th instant, is as follows:—

The directors beg to submit, for the information of shareholders, the annexed duly audited statement of the Company's accounts to the 30th June, 1909.

1908.—The balance at credit of this account is Taels 212,245.28, and after deducting an interim dividend of 7½ per cent., aggregating Taels 32,339.55, paid on 1st May last, there remains a sum of Taels 179,885.73, which the directors recommend should be appropriated in the following manner:—

A final dividend of 7½ per cent. on the paid-up capital.

A bonus of 15 per cent. upon contributory premiums.

Taels 75,000.00 transferred to silver reserve, bringing that fund up to Taels 225,000.00.

And the balance to be transferred to underwriting reserve account, closing the account for 1908.

1909.—The balance at credit of working to 30th June amounts to Taels 206,573.62.

Directors.—In accordance with the provisions of the articles of association the directors all retire, but, being eligible, offer themselves for re-election.

Audit.—The accounts have been audited by Messrs. Wingrove and Hayter, who again render their services to the Shareholders.

By order of the court of directors.

H. G. SIMMS,
Secretary.

Shanghai, 18th September, 1909.

The Balance Sheet to 30th June is as follows:—

| Dr. | Taels. | £ | s. | d. |
|--|-------------------|----------|----|----|
| To capital account: 10,000 shares at £5= | | | | |
| £50,000 @ 2/4-3/16 | 425,720.62 | 50,000 | 0 | 0 |
| To sterling reserve fund | | | | |
| £125,000 @ 2/4-3/16 | 1,064,301.55 | 125,000 | 0 | 0 |
| To silver reserve fund | 150,000.00 | 17,617 | 3 | 9 |
| To underwriting reserve account | 335,253.09 | 39,374 | 15 | 6 |
| To exchange and investment fluctuation account | 146,586.70 | 17,216 | 6 | 2 |
| To working account 1908: | | | | |
| Amount brought forward from | | | | |
| below | 212,245.28 | | | |
| Deduct— | | | | |
| Interim share dividend | 32,359.55 | | | |
| | 179,885.73 | 21,127 | 4 | 1 |
| To working account 1909: | | | | |
| Amount brought forward from below | 216,573.62 | 24,261 | 12 | 10 |
| To sundry creditors | 8,855.34 | 1,040 | 0 | 10 |
| (Ex. 2/4-3/16 per Tael.) | Tls. 2,517,176.65 | £295,637 | 3 | 1 |

| Cr. | Tls. | £ | s. | d. |
|---|------------|--------|----|----|
| By Cash on Current and Deposit Accounts in Shanghai | 210,721.00 | 24,748 | 14 | 10 |
| By Chinese Imperial Govt. Loan of 1886 (E. Issue) | 11,500.00 | 1,350 | 13 | 0 |
| By Shanghai Municipal Loans | 95,000.00 | 11,157 | 11 | 1 |
| By Shanghai Land Investment Co., Ltd.'s 5 per cent Debts. | 7,000.00 | 822 | 2 | 9 |
| By Shanghai Land Investment Co., Ltd.'s 6 per cent Debts. | 69,700.00 | 8,186 | 2 | 5 |
| By Shanghai Waterworks Co., Ltd.'s 5 per cent Debentures | 9,600.00 | 1,127 | 10 | 0 |
| By Shanghai Waterworks Co., Ltd.'s 5 per cent Debentures | 20,000.00 | 2,348 | 19 | 2 |
| By Shanghai and Hongkew Wharf Co., Ltd.'s 6 per cent Debts. | 10,000.00 | 1,174 | 9 | 7 |
| Shanghai Mutual Telephone Co., Limited | 800.00 | 93 | 19 | 2 |
| By mortgages on Property in Shanghai | 130,000.00 | 15,268 | 4 | 7 |
| By Japanese Government 5 per cent Yen Loan of 1895 | 13,292.53 | 1,561 | 3 | 7 |
| By Japanese Government 4 per cent Sterling Loan of 1899 | 74,695.06 | 8,772 | 15 | 7 |
| By London Branch—Balance, viz.: | | | | |
| Cash at Bank | 12,117 | 1 | 0 | |

| | | | |
|---|----------|----|----|
| British Government Securities | 18,281 | 4 | 8 |
| Indian Government Securities | 18,673 | 14 | 5 |
| Colonial Government Securities | 30,617 | 16 | 11 |
| Foreign Government Loans | 26,434 | 19 | 0 |
| City of Osaka 5 per cent Bonds | 2,000 | 0 | 0 |
| English Railway Securities | 5,211 | 11 | 1 |
| Colonial Railway Securities | 26,423 | 1 | 0 |
| Chinese Railway Securities | 12,690 | 0 | 0 |
| Manila Railway Securities | 3,320 | 0 | 0 |
| Pennsylvania Railroad Co. 4 per cent Mort. Bonds | 954 | 19 | 4 |
| Sterling Mortgage | 4,000 | 0 | 0 |
| Furniture Accounts—London & Manchester | 152 | 0 | 0 |
| Premium outstanding, Bills Receivable, Policy Stamps and Drafts in course of collection | 5,598 | 2 | 8 |
| | £166,477 | 10 | 1 |

Less—Due to Sundries 511 | 5 | 6 |

£165,966 4 7

| | | | |
|--|--------------|----------|------|
| Add—London Freehold Premises | 38,307 | 3 | 7 |
| | 1,739,268.04 | 204,273 | 8 2 |
| By Balances at Branches | 79,529.02 | 9,340 | 10 4 |
| By Furniture at Head Office and Branches | 1,986.27 | 233 | 5 8 |
| By Sundry Debtors | 44,847.3 | 5,177 | 13 2 |
| Ex. 2/4-3/16 per Tael) | | | |
| Taels | 2,517,176.65 | £295,637 | 3 1 |

WORKING ACCOUNT 1909.

| Dr. | Taels. |
|----------------------------------|------------|
| To net premia | 508,257.65 |
| To interest | 86,551.32 |
| To transfer and certificate fees | 48.00 |
| Taels | 594,856.97 |

| Cr. | Taels. |
|---|------------|
| By commission and charges at head office, branches and agents | 171,233.77 |
| By directors' and auditors' fees | 6,400.00 |
| By income tax | 11,165.46 |
| By depreciation furniture account | 152.44 |
| By losses and claims | 193,660.02 |
| By balance carried forward | 212,245.28 |
| Taels | 594,856.97 |

WORKING ACCOUNT 1909

| Dr. | Taels. |
|----------------------------------|------------|
| To net premia | 327,839.36 |
| To interest | 47,662.32 |
| To transfer and certificate fees | 38.00 |
| Taels | 375,539.68 |

| Cr. | Taels. |
|--|------------|
| By commissions and charges at head office, branches and agencies | 85,571.36 |
| By directors' and auditors' fees | 3,200.00 |
| By income tax | 3,079.63 |
| By losses and claims | 77,115.02 |
| By balance carried forward | 206,573.62 |
| Taels | 375,539.68 |

WILLIAM D. LITTLE, H. G. SIMMS,
A. McLEOD, Secretary.
JAS. N. JAMESON,
Directors.

In accordance with the provision of the Companies Act, 1900, we certify that all our requirements as Auditors have been complied with, and we have to report to the Shareholders that, having examined the foregoing Statements of Accounts and Balance Sheet, they are, in our opinion, properly drawn up so as to exhibit a

true and correct view of the state of the Company's affairs as shown by the books of the Company.

GEO. R. WINGROVE,
H. W. G. HAYTER,
Auditors.

Shanghai, 24th September 1909.

FAR EASTERN TELEGRAMS.

PRINCE ITO TO VISIT MANCHURIA.

Tokyo, October 14th.

Prince Ito left to-day for a tour in Manchuria.

THE CRANE REVELATIONS.

Tokyo, October 14th.

The Crane revelations are the theme of the press. The American State Department forwards to Tokyo a summary of the events leading to the resignation of Mr. Crane. It says that it has been engaged for some time in studying the recent agreements between China and Japan with a view to determining anything adversely affecting American interests. While the investigation was proceeding Mr. Crane visited the Department and was informed by one of the clerks about it. Without consulting a responsible officer, Mr. Crane informed the newspapers that the Government were preparing to protest against several features of the agreements. Ultimately Mr. Knox telegraphed to Mr. Crane as follows: "You are charged with responsibility for the canards appearing in the Japanese and American Press that America is preparing to protest. If you are not responsible matters relating to the Orient have developed making it advisable for me thus to communicate with you." At a subsequent conference between Mr. Knox and Mr. Crane the former said that he was compelled to ask for the resignation of Mr. Crane.

[FROM THE "CHUNG NGOI SAN PO."]

IMPERIAL CHINESE POST OFFICE.

Peking, October 11th.

The Board of Communications is to raise a sum of 1,000,000 taels for the purpose of taking over the control of the Imperial Chinese Post Office from the Commissioner of Customs at the beginning of the next Chinese year.

AN EXCISE PROSECUTION.

The manager of the Connaught Aerated Water Factory was summoned before Mr. J. R. Wood at the Magistracy on Tuesday for having 26 cases of spirits of wine stored on the Company's premises without a licence. His Worship imposed a fine of \$50, and ordered the forfeiture of the spirits.

MARCONIGRAMS FROM MID-PACIFIC.

Mr. D. W. Craddock, General Traffic Agent in Hongkong of the C. P. R. Co., writes under Monday's date:—

"I am just in receipt of a telegram from our Yokohama Agency advising that a further Marconigram has reached there from the *Empress of India*. The steamer was then, at 11 p.m., 9th October, 1,500 miles distant from Japan. This is well on towards a half the distance between land and land, and the probability is that as soon as she gets out of range of Japan she will be within wireless reach of the station on the Canadian side."

A Frenchman, said to be a carpenter on one of the French Mail steamers, got into trouble with the police. He was arrested by Sergt. Aris on suspicion of being in the illegal possession of a quantity of dried fish, and on the way to the Police Station he offered the officer eighty cents with the explanation "cumshaw," and at the same time attempted to move off. The sergeant was not to be bribed and added another charge against the man. Mr. Wood, before whom the case was heard on Oct. 13, did not find the defendant guilty of being in unlawful possession of the fish, but ordered him to pay a fine of \$10 for attempted bribery.

LOCAL SPORT.

INTERPORT SWIMMING.

We append an extract from a letter from Mr. Percy Fowler, the captain of the Shanghai Interport swimming team which lately visited Hongkong, to Mr. Frank Lammert, the hon. secretary of the Victoria Recreation Club. Our readers will doubtless remember that the visiting team expressed their dissatisfaction at the various contests taking place under local instead of A. S. A. rules, and in the interest of interport swimming, etc., we consider that our local club will do well to go into the matter and adopt, if possible, the suggestions put forward by the Shanghai captain.

"I should like to take this opportunity of expressing the Team's thanks for the cordial welcome and the hospitality extended to us while in your port. We all look forward to your visit next year, and in the meantime I trust that we shall be able to put ourselves in such a position that we shall both be under A. S. A. laws.

I am writing Home to the Amateur Swimming Association, and will let you have any particulars that I may obtain from them, and I think it would be as well if we could form some Association on the same lines as the A. S. A. to govern our races here in the Far East. I think, however, that with a little bit of trouble we might become affiliated with the Home body, in which case there will be no necessity for any Far Eastern Association."

HONGKONG CORINTHIAN YACHT CLUB.

The annual meeting of the Hongkong Corinthian Yacht Club took place at the Club House, Wanchai, on Oct. 12, when Dr. Clark presided over a large attendance of members. The report and accounts for the year were adopted after some discussion as to the manner of running the bar. Considerable time was occupied in discussing new rules, which included a proposition that an entrance fee of \$10 be charged and that the annual subscription remain as before at \$10. These alterations were approved, as well as an amendment to include a mosquito class. Office bearers were then elected as under: Commodore, Dr. F. Clark; Vice-Commodore, Mr. E. M. Hazeland; hon. treasurer, Mr. D. Gow; hon. secretary, Mr. H. E. Scriven, with Mr. P. R. Adams as assistant. Complimentary reference was made to the good service rendered by Mr. L. Guy during the four years he had acted as secretary. Mr. W. A. Craik was elected measurer, and Messrs. G. G. Wood and C. J. Cooke were appointed deputy measurers.

H.K.F.C. SIX-A-SIDE COMPETITION.

Play in the above competition commenced on the club ground, Happy Valley, on Oct. 12 evening, when two matches were played.

H. L. O. GARRETT'S XI V. F. G. CARROLL'S XI.

This match resulted in an easy win for Carroll's team by five goals to nil. Goalscorers were:—Goldenberg and Whitmarsh two each and Carroll one.

J. D. B. DANBY'S XI. V. A. GREGORY'S XI.

A goalless draw was the result of this match due to the fact that both lines of forwards were disjointed, and also that the defence was the strong point on each side.

The want of training was early apparent, but otherwise both games were full of interest and friendly rivalry from start to finish.

BUFFS INTER-COMPANY MATCH.

A CO. V. H. CO.

A friendly match between these teams took place on Military Ground on Wednesday afternoon. "A" Company won by two goals to nil, Flynn scoring twice.

Hongkong's prehistoric fire brigade has been the subject of much banter which is not likely to be decreased when it becomes known that the other morning, during practice for the review to be held by His Excellency the Governor, one of the despatch boxes collapsed.

COMMERCIAL.

IMPORTS.—

COAL.

HONGKONG, October, 14th.—The arrivals of coal since the 10th inst. amounted to 32,154 tons of Japanese. The coal expected is 39,100 tons Japanese, 7,500 tons Hongay, 4,500 tons Borneo and 5,200 tons North China. Quotations according to Messrs. Hughes and Hough's circular are as follows:—

Cardiff.....\$21.00 to 22.50 ex-godown, nominal.
Australian...\$10.50 to 12.50 ex-godown, nominal.
Yubari Lump...\$12.00 Nominal.
Miki Lump...\$10.50 to 11.00 ex-ship, nominal.
Moji Lump.....\$7.75 to \$9.50 ex-ship, steady.
Moji Unscreened\$6.00 to \$8.00 ex-ship, steady.
Akaike Lump...\$8.75 to \$9.00 ex-ship, steady.
Labuan Lump...\$9.00 ex-ship sellers.

RICE.

HONGKONG, 15th October:—Owing to the prospect of a good harvest, the prices are declining.

| | | |
|------------------------------------|-----------|--------|
| Saigon, Ordinary | \$5.00 to | \$5.05 |
| " Round, Good quality ... | 5.05 to | 5.10 |
| " Long..... | 5.15 to | 5.20 |
| Siam, Field mill cleaned, No. 2... | 5.00 to | 5.05 |
| " Garden, " No. 1... | 5.20 to | 5.25 |
| " White..... | 5.30 to | 5.35 |
| " Fine Cargo..... | 5.40 to | 5.45 |

OPIUM.

HONGKONG, October 14th.

Quotations are:—

| | |
|----------------------------|-------------------------|
| Malwa New | \$1,200/1,250 per picul |
| Malwa Old | \$1,260/1,280 do. |
| Malwa Older | \$1,290/1,320 do. |
| Malwa Very Old | \$1,330/1,350 do. |
| Persian Fine Quality | \$1,100/1,150 do. |
| Persian Extra Fine | \$1,160/1,170 do. |
| Patna New | \$1,295 per chest. |
| Patna Old | \$1,275 do. |
| Benares New | \$1,315 do. |
| Benares Old | \$1,260 do. |

HONGKONG, Oct. 14th.—We beg to continue our advice of the 30th ult., since when the movements in our various Opium markets have been as follows:—

| | Malwa | Patna | Benares | Persian |
|---|--------|-------|---------|---------|
| Stocks on the 15th Sept., 1909— | 1,648½ | 1,962 | 1215 | 461 |
| Oct., 5th Imports per Lightning— | 270 | 135 | — | — |
| " 8th " " Kutang— | 385 | — | — | — |
| " 11th " " Tourane 150 | 150 | 50 | 129 | — |
| " 14th " " Bombay Maru— | — | 60 | — | — |
| " 14th " " Delhi 37 | 115 | — | 474 | — |
| | 1,685½ | 2,882 | 1,460 | 935 |
| Less Exports to Shanghai .. | 25 | 345 | 150 | — |
| Less Exports to East, and West Coast Ports including Local Consumption for the fortnight... | 209 | 604 | 278 | 16 |

Estimated Stocks this day .. 1,451½ 1,873 1,032 919

Pengal.—We have to report quite an exceptional rise in prices due to the steady advance in native opium and to the good consumption both here and in the north. We quote New Patna at \$1,285, old at \$1,255, and Benares at \$1,300.

Malwa.—There has been considerable activity in the market and prices are as follow:—New, \$1,200/1,220; 2 years, \$1,250; 3/4 years, \$1,300.

Persian.—We quote superior drug at \$1,120. The local market is quiet.

YARN.

HONGKONG—Mr. P. Eduljee, in his Report dated 15th Oct., states:—The fluctuations in Cotton on the other side have been greatly reflected in our local market and during the past fortnight a considerable business has again been done both in goods on the spot and to arrive at an appreciation of \$1 to \$3 in value. Holders have now practically withdrawn stocks from the market by asking a further advance on present quotations for all desirable spinnings remaining in stock. Buyers are responding rather freely to the enhanced cost and we expect to see sellers obtain their prices. The demand has run chiefly on Nos. 10s and 12s, which form the bulk of the settlements and show an improvement of \$2 to \$3 per bale. No. 16s have been in limited request principally for one or two special chops, and No. 20s continue in moderate enquiry, but prices are difficult to move. At the moment buying still continues, but shortness of supplies is now being felt, and what with small stocks, restricted supplies and dearth of the raw material, the market closes firm and tending upwards. Bombay continues quiet but strong. Sales of the interval aggregate 9,518 bales, arrivals amount to 11,014 bales, unsold stock estimated at 18,000 and sold out uncleared yarn in second hands at 32,000 bales. Local Manufacture:—Sales of 450 bales No. 10s at \$116 and \$117 are reported. Japanese Yarn:—Neglected throughout. Raw Cotton:—The market is bare of stock, of both India and China staple, and in the absence of business quotations are more or less nominal. India \$32 to \$38 and China \$35 to \$39. Exchange on India has fluctuated slightly and closes to-day at Rs. 129½ for T/T and Rs. 130 for Post. On Shanghai 74½ and on Japan 84½. The undernerved business in imported and local spinnings is reported from Shanghai during the fortnight ended the 9th inst. viz.:—Indian:—A brisk demand has been experienced and sales of about 8,000 bales have been effected at an advance of 1 to 3 taels, with an estimated stock of 66,000 bales. Japanese:—Demand continues, and about 3,500 bales have changed hands at Tls. 104 to 112 for No. 16s and Tls. 118 to 121 for No. 20s. Local:—In good demand at firmer prices, about 3,500 bales changing hands on the basis of Tls. 100 for Nos. 12s and 14s and Tls. 105 to 106 for No. 16s.

PIECE GOODS.

Messrs. Noël, Murray & Co. in their Piece Goods Report, dated Shanghai, 8th Oct., 1909, state:—Business has commenced to show more briskness in American make, a fair quantity having been bought from second hands, chiefly for Newchwang, though Tientsin buyers have not been altogether out of it. There is not much doing as yet in English goods, however, although some holders are quite willing to sell at a great deal less than replacing cost, as they look upon that as impossible of attainment. The dealers say they are still waiting for the after settling day orders to come in from the country, and seem to be fully confident that they will come. Judging from the general excellence of the crops all over the country it would certainly seem that trade should now be showing a great improvement, and prices more commensurate with replacing cost. Week after week passes, however, with only a mere hand to mouth business being done, and no prospect of any improvement in the near future, a more disheartening state of affairs than at present exists it would be hard to imagine, but there seems to be nothing to do but wait patiently in the hope that stocks will be reduced to such small compass that prices must go up, as they have and continue to do for Yarn. It is hopeless to expect home prices to decline, as Manufacturers both in Lancashire and the United States are alike complaining of the impracticability of keeping their Mills going with the raw staple at its present level, unless buyers raise their offers very materially. Of course so long as the Auctions continue to supply what inquiry there is at "without reserve" prices it will be impossible for private sellers to make any progress, it is the demand that must improve, and this is restricted beyond the most moderate requirements, owing to the unsatisfactory conditions prevailing generally in this country. There is nothing of interest report of the markets at the Out-ports. Han! pm. is doing next to nothing at the moment in way of fresh purchases, though clearances for River generally are fairly satisfactory. The \$11.45 activity displayed really has been for Newel \$59.80 from whence fairly free orders for America... 23½ have come down. The prices paid

certainly enable them to compete successfully with Japanese cloths at the present cost of the raw material. Tientsin is buying a little quietly, but all particulars of that market especially seem to be carefully suppressed. The Native reports concerning Corea are decidedly encouraging, but direct news does not confirm that. The benefit likely to be derived from a good rice crop will be greatly curtailed owing to the splendid crop in Japan, the only outlet for Corea's surplus supply. The excitement over the American Cotton crop appears to have somewhat subsided and the price in Liverpool for "spot" has given way, though futures remain about the same. To-day's quotation for the former comes 7.10d. and 6.92d. for January/February option, and this in face of 58.5 as the condition report issued by the U.S. Department of Agriculture on 2nd inst., as compared with 69.7 last year. According to the Census Office report the number of Bales ginned was 2,566,000 against 2,582,000 to the same date last year. The New York quotations keep fairly steady, yesterday January and March were 13.12 and 13.18 cents respectively, and this morning December comes 13.18 cents. Egyptian Cotton in Liverpool remains unchanged at 10.1d. The Export of Plain Cottons from England to China and Hongkong last month was only 20,000,000 yards, quite a welcome falling off. Dyed and Printed goods are rather less, too, namely, 9,000,000 and 16,000,000 yards respectively. Yarn, however, is in fairly heavy supply. The New York market for Piece Goods is very high, the last quotation for Pepperell Drill being 12s. 11.1d. the equivalent of about Tls. 5.75, against Tls. 5.25 now current. The Southern Mills in the States are apparently feeling the advance in Cotton very severely, according to latest telegraphic advices, which point to the possibility of closing down if consumers do not raise their offers. The Yarn market has been kept fairly active, though some of the fancy prices paid for Indian Spinings are attributed to speculators. Although the sales reported are not credited to the Northern buyers they are nibbling. The sales published of Japanese Yarns are not all from stock, but include "walkee cargo" up to December. A few small sales of Local spinings are reported to-day by Foreign Mills on the basis of Tls. 101.00/101.50 for No. 20s. Tls. 104.00 for No. 14s. and Tls. 107.00 for No. 16s. We also hear of purchases of New Cotton at Tls. 26.00 for Tungchow, Tls. 25.00 for Four Chop, Tls. 24.75 for Best Machine Ginned and Tls. 24.50, 24.00 for Shanghai Ordinary, the market being rather weaker at the close. The Auctions are supplying the cream of the demand, such as it is, and judging by to-day's sale are beginning to pick up a little in Grey and White goods, especially the latter, and the \$4 lbs. and 12 lbs. of the former. Turkey Reds went at steady to firm prices, but there was not much strength in the demand for Fast Black Cotton Italians. Clearance sales of old stocks of Coloured figured Cotton Lastings and Plain and figured Italians have commenced during the interval, upwards of 8,500 pieces being disposed of.

HONGKONG PRICES CURRENT.

HONGKONG, 15th October, 1909.

COTTON PIECE GOODS—

| | |
|--|----------------|
| Grey Shirtings—6lbs. piece | \$2.00 to 2.10 |
| 7 lbs. " | 2.50 to 2.60 |
| 8.4 lbs. " | 3.00 to 4.25 |
| 10 lbs. " | 4.10 to 5.50 |
| White Shirtings—54/56 reed .. | 2.90 to 3.20 |
| 58/60 .. | 3.30 to 5.50 |
| 64/66 .. | 6.00 to 8.00 |
| Fine .. | 5.50 to 10.00 |
| Book-folds .. | 3.50 to 6.50 |
| Victoria Lawns—12 yards ... | 0.70 to 2.00 |
| T-Cloths—6 lbs. (32 in.) Ord'y .. | 2.10 to 2.40 |
| 7 lbs. " | 2.50 to 3.20 |
| 6 lbs. "Mexicans.. | — |
| 7 lbs. " | 3.75 to 4.10 |
| 8 to 8.4 oz., (36 in.) .. | 3.00 to 4.25 |
| Drills, English—40 yds., 13 1/4 " to 14 lbs. } | 4.75 to 6.10 |

FANCY COTTONS—

| | |
|--|------------------|
| Turkey Red Shirtings—1 1/2 to 6 lbs. piece | 1.90 to 4.75 |
| Brocades—Dyed .. yard | 0.12 1/2 to 0.16 |
| Chinese—Assorted .. | 0.09 to 0.30 |
| Velvets—Black, 22 in., | 0.26 to 0.55 |
| Velveteens—18 in., | 0.25 to 0.28 |
| Handkerchiefs—Imitation } ilk per dozen | 0.70 to 5.50 |

WOOLLENS—

| | | |
|-----------------------------------|------|--------------|
| Spanish Stripes Sundry cloths | yard | 0.70 to 2.00 |
| German, .. | " | 2.00 |
| Habit, Medium & Broad Sloths .. | " | 1.25 to 3.00 |
| Long Ells—Scarlet, 7-9 lbs. piece | " | 7.80 to 9.40 |
| Assorted .. | " | 7.90 to 9.40 |
| Camlets—Assorted .. | " | — |

WHEATEN FLOUR—

| | | |
|------------------------------|------|----------------|
| Lastings—30 yds. 31 inches } | " | 14.00 to 21.00 |
| Assorted .. } | " | — |
| Orleans—Plain .. | " | 9.00 to 12.00 |
| Blankets—8 to 12 lbs. | lbs. | 0.60 to 1.50 |

RAW COTTON—

| | | |
|------------------------------------|-------|--------------------|
| Bombay .. | picul | \$29.00 to \$33.00 |
| Bengal (New), Rangoon and Dacca .. | " | 29.00 to 32.00 |
| Shanghai and Japanese .. | " | 30.00 to 34.00 |
| Tungchow and Ningpo .. | " | 30.00 to 34.40 |

METALS—

| | | |
|-----------------------------------|-----------|---------|
| Iron—Nail Rod .. | picul | \$ 4.11 |
| Square, Flat, Round Bar (Eng.) .. | " | 4.00 |
| Swedish Bar .. | " | 4.15 |
| Small Round Rod .. | " | 4.50 |
| Hoop, 3 to 1 1/2 in., .. | " | 5.60 |
| Wire, 16/25 oz., .. | " | 9.50 |
| Old Wire Rope .. | " | 3.00 |
| Lead—L. B. & Co. and Hole-Chop .. | " | — |
| Australian .. | " | 9.40 |
| Yellow Metal—Muntz 14/28 oz. .. | " | 39.50 |
| Vivian's, 16/32 oz., .. | " | 39.50 |
| Elliott's, 16/28 oz. .. | " | 39.50 |
| Tin, .. | " | 90.00 |
| Tin-Plates, .. | box | 7.40 |
| Steel .. | cwt. case | — |

MISCELLANEOUS—

| | | |
|---------------------------------|-------|------------------|
| Quicksilver, .. | picul | 177.00 |
| Window Glass, .. | box | 5.40 |
| Kerosene Oil, .. | case | — |
| Saltpetre, No. 1 .. | picul | \$11.20 to 12.20 |
| Do. No. 2 .. | " | 10.90 to 11.00 |
| Do. No. 3 .. | " | 9.10 to 10.30 |
| Dayton, per bag of 50 lbs. | gross | \$2.68 |
| Brown Bear .. | " | 2.60 |
| Choice .. | " | 2.65 |
| White Lily .. | " | 2.65 |
| White Fawn .. | " | 2.64 |
| Morjen .. | " | 2.65 |
| Cow .. | " | 2.64 |
| Private Brands .. | " | 2.64 |

EXPORTS:—

CAMPHOR

HONGKONG, 15th October:—The above market is at a standstill and prices remain as last quoted

MISCELLANEOUS EXPORTS.

HANKOW, 6th October—The prices quoted are for the net shipping weight excluding cost of packing for export:—

| | | |
|--|------|-------|
| Cowhides, best selected .. | Tls. | 38.00 |
| Do. seconds .. | " | 34.00 |
| Buffalo hides, best selected .. | " | 23.00 |
| Goatskins, untanned, chiefly white colour, .. | " | — |
| Buffalo Horns, average 3 lbs. each .. | " | — |
| White China Grass, Wuchang and/or Poochi .. | " | 9.10 |
| White China Grass, Sinshan and/or Chayu .. | " | 8.10 |
| Green China Grass, Szechuan .. | " | — |
| Jute .. | " | — |
| White Vegetable Tallow, Kinchow .. | " | 11.30 |
| White Vegetable Tallow, Pingchow and/or Macheng .. | " | — |
| White Vegetable Tallow, Mongyu .. | " | — |
| Green Vegetable Tallow, Kiyu .. | " | 10.80 |
| Animal Tallow .. | " | 11.20 |
| Gallnuts, usual shape .. | " | 15.40 |
| Gallnuts, plum do. | " | 17.90 |
| Tobacco Tinchow .. | " | — |
| Tobacco, Woungkong .. | " | — |
| Black Bristles .. | " | — |
| Feathers, grey and/or white Wild Duck | " | — |
| Turmeric .. | " | — |
| Sesamum Seed .. | " | 5.15 |
| Broad Beans .. | " | 2.05 |
| White Peas .. | " | 2.20 |
| Sesamum Seed Oil .. | " | — |
| Vegetable Tallow Seed Oil .. | " | — |
| Wood Oil .. | " | 9.20 |
| Tea Oil .. | " | — |

Per M. M. steamer *Oceanien*, sailed on the 12th October, 1909:—For Lyons.—134 bales raw silk. For Option.—134 bales raw silk, 200 bales waste silk. For Marseilles.—200 rolls matting, 50 cases Tea, 19 cases hats, 15 cases ylang ylang, 9 cases human hair, 4 packages sundries. For Havre.—9 cases human hair. For London.—4 packages sundries.

HONGKONG QUOTATIONS.

HONGKONG, 1st October, 1909.

Hongkong markets:—

| | |
|-------------------|--------------------|
| Apricot .. | \$16 to 17 |
| Borax .. | \$18 to 20 |
| Cassia .. | \$22 1/2 to 22 3/4 |
| Cloves .. | \$20 to 31 |
| Camphor .. | \$84 to 86 |
| Cow Bezoar .. | \$70 to 114 |
| Fennel Seed .. | \$10 |
| Galangal .. | \$2 to 4 |
| Grapes .. | \$15 to 16 |
| Kismis .. | \$15 to 17 |
| Glue .. | \$26 1/2 |
| Olibanum .. | \$2 1/2 to 16 |
| Oil Sandalwood .. | \$250 to 350 |
| „ Rosa .. | \$70 to 90 |
| „ Cassia .. | \$185 |
| Raisins .. | \$12 to 13 |
| Senna Leaves .. | \$8 |
| Sandalwood .. | \$33 to 35 |
| Saltpetre .. | \$110 to 111 |

HONGKONG SHARE QUOTATIONS.

HONGKONG, 15th Oct., 1909.—The prevailing dullness in our local stocks has become more accentuated during the week and the inclination to weakness in rates more apparent. Business generally has been very slack and we have nothing of importance to report. Rubbers owing to a slight decline in rates on the London market have not been active, and although rates have been fairly well maintained transactions have been few and far between. Exchange on London closes at 1/8 3/4 T/G and on Shanghai at 74 1/4.

BANKS.—Hongkong and Shanghai have changed hands at 990, 992 1/2, and 995 during the week, closing with buyers at 992 1/2/995. Nationals remain unchanged and without business.

MARINE INSURANCES.—Unions continue fairly steady at 84 1/2, but there are sellers at the rate at the close. North Chinas continue with sellers at 115; other stocks under this heading call for no remarks.

FIRE INSURANCES.—Hongkong Fires continue in demand and close with buyers at 375, no shares being, apparently, available. Chinas have an enquiry at 114, but holders are not at all eager to part.

SHIPPING.—All stocks under this heading are almost utterly neglected and we have no charges or business to report.

REFINERIES.—China Sugars have been dealt in to a limited extent at 145 cash and at 148 and 148 1/2 for December delivery. Luzons remain quiet and without business at 23.

MINING.—Raubs remain a dead letter at 8. Langkats after improving in the North in the early part of the week close easier with sellers at 840.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks continue out of favour, and with the exception of small sales at 55 we have no business to report. Kowloons have improved to 62, after small sales at 61. Shanghai Docks have ruled a little weaker with sales at 75, but close with buyers at that rate. Hongkew Wharfs are firmer with buyers at 140.

LANDS, HOTELS AND BUILDINGS.—Hongkong Lands continue neglected at 104, but shares could be placed at 103. West Points remain on offer and buyers at 42 could probably be accommodated. Other stocks under this heading call for no remarks.

COTTON MILLS.—Ewos are quoted at 142 by telegraph, and Soychees at 460, Internationals have declined to 83, and Lion King Mows to 10. The last two quotations are taken from the latest Shanghai circulars. Hongkong Cottons continue weak with sellers at the reduced rate of 6 1/2.

RUBBERS.—The market has ruled quiet and we have but little to report in the way of business. The London market continues dull, owing in all probability to the tightness of

money prevailing in the city. The sales during the week include the following: Cast-iron at £2 17. Shelfolds at 38/ to 36/. Ledbury's at £2 12 and £2 13. Balgownies at 70. Pegohs at 24 and Anglo-Malays at 15/9 and 16/.

MISCELLANEOUS—China Provs. have changed hands at 9.50. Cements at 7½, and Electrics at 20. All stocks under this heading, with the exception of Dairys and Gas shares close with sellers and no business to report.

Quotations are as follows:—

| STOCKS | PAID UP | QUOTATIONS |
|-----------------------------------|----------|----------------------|
| Banks— | | |
| Hongkong & S'hai... | \$125 | \$992½, buyers |
| National B. of China | £6 | \$65, buyers |
| Bell's Asbestos E. A.... | 12/6d. | \$10 |
| China-Borneo Co..... | \$12 | \$13, sellers |
| China Light & P. Co.... | \$10 | \$6, sellers |
| China Provident | \$10 | \$9.50, sales & sel. |
| Cotton Mills— | | |
| Ewo Cotton S. & W. | Tls. 5 | Tls. 141 |
| Hongkong C. S. Co. | \$10 | \$61, sellers |
| International | Tls. 75 | Tls. 92 |
| Laon Kung Mow | Tls. 100 | Tls. 113 |
| Soychee | Tls. 500 | Tls. 450 |
| Dairy Farm Co..... | \$6 | \$17½, buyers |
| Docks & Wharves— | | |
| H. & K. Wharf & G. | \$50 | \$62, buyers |
| H. & W. Dock | \$50 | \$55, sales & sel. |
| New Amoy Dock | \$67 | \$9, sellers |
| Shanghai Dock and Eng. Co., Ltd. | Tls. 100 | Tls. 75, buyers |
| S'hai & H. Wharf | Tls. 100 | Tls. 140 |
| Fenwick & Co., Geo.... | \$25 | \$11, sellers |
| G. Island Cement Co. | \$10 | \$7½, sales |
| Hongkong & C. Gas... | \$10 | \$210, buyers |
| Hongkong Electric... | \$10 | \$20½, sellers |
| Hongkong Hotel Co. { | \$50 | \$72½ |
| | \$25 | \$43½ |
| Hongkong Ice Co..... | \$25 | \$182½, sellers |
| H'kong Rope M. Co.... | \$10 | \$23, sellers |
| Insurances— | | |
| Canton | \$50 | \$175, sellers |
| China Fire | \$20 | \$113½, buyers |
| China Traders | \$25 | \$92, buyers |
| Hongkong Fire | \$50 | \$375, buyers |
| North China | \$25 | Tls. 115, sellers |
| Union | \$100 | \$47½, sales |
| Yangtze | \$60 | \$230½ |
| Land and Buildings— | | |
| H'kong Land Invest. | \$100 | \$101 |
| Humphrey's Estate | \$10 | \$9½, sellers |
| Kowloon Land & B. | \$30 | \$30, sellers |
| Shanghai Land..... | Tls. 5 | Tls. 120 |
| West Point Building | \$50 | \$42, sellers |
| Mining— | | |
| S. F. des C. du T'kin | Fr. 250 | \$625, buyers |
| Raub | 18/10d. | \$8, sellers |
| Peak Tramways Co., Ltd. | \$10 | \$13½, sellers |
| Philippine Co., Ltd.... | \$1 | \$1.40, sellers |
| | \$10 | \$9, sellers |
| Refineries— | | |
| China Sugar | \$100 | \$145, sales |
| Luzon Sugar | \$100 | \$23, sellers |
| Robinson Piano Co. ... | \$50 | \$50, sellers |
| Steamship Companies | | |
| China and Manila... | \$25 | \$81, sellers |
| Douglas Steamship... | \$50 | \$33, sellers |
| H., Canton & M. ... | \$15 | \$31½, sellers |
| Indo-China S. N. Co. | \$25 | \$41, sellers |
| | \$19 | \$19, sellers |
| Shell Transport Co. | \$1 | 73½, buyers |
| Star Ferry | \$10 | \$26 |
| | \$5 | \$14½, sellers |
| South China M. Post... | \$25 | \$23½, sellers |
| Steam Laundry Co.... | \$5 | \$5½, sellers |
| Stores & Dispensaries— | | |
| Campbell, M & Co.... | \$10 | \$12 |
| Wm. Powell, Ltd. ... | \$7 | \$3½, sellers |
| Watkins, Ltd. | \$10 | \$5, sellers |
| Watson & Co., A.S. | \$10 | \$8, sellers |
| Weissmann, Ltd..... | \$100 | \$150 |
| United Asbestos | \$4 | \$12½, sellers |
| | \$10 | \$300 |
| Union Waterboat Co.... | \$10 | \$10½, sellers |
| Rubbers— | | |
| Castlefields, fully p. | — | £2.15.0 |
| Ltnggis | — | 24/- |
| Anglo-Malays | — | 15/- |
| Shelfolds | — | 36/- |
| Balgownies | — | \$70 (Straits), |

VERNON & SMYTH, Brokers.

SHANGHAI SHARE QUOTATIONS.

30th September, 1909.

| COMPANY. | PAID UP | QUOTATION |
|-------------------------------------|-----------|----------------------|
| Banks:— | | |
| Hongkong & S'hai... | \$125 | \$1,025, sellers |
| National of China... | £6 | \$65, buyers |
| Russo-Chinese | R187½ | Tls. 125 |
| | T125 | |
| Insurance:— | | |
| Union Society C't m | \$100 | \$842½, buyers |
| North-China | £5 | Tls. 115, sellers |
| Yangtze Assocn. ... | \$60 | \$232½ |
| Canton | \$50 | \$180, sellers |
| Hongkong Fire..... | \$50 | \$360, buyers |
| China Fire..... | \$20 | \$115 |
| Shipping:— | | |
| Indo-China { pref. } | £5 | Tls. 42, sellers |
| | { def. } | |
| Shell Trans { ord. } | £1 | £3.11 sales |
| | { pref. } | |
| S'hai Tug & { pref. } | £10 | £9.10.0 |
| | { ord. } | |
| Lighter ... { pref. } | T50 | Tls. 42, sellers |
| | { ord. } | |
| Taku Tug & Lighter | T50 | Tls. 52½, buyers |
| Kochien Transportation & To Boat | T50 | Tls. 45 |
| | | Tls. 47½, sales |
| Docks & Wharves:— | | |
| S'hai Dock & Eng... | T100 | Tls. 76, sales |
| H. & W. Dock | \$50 | \$55, sellers |
| S. & H'kew Wharf... | T100 | Tls. 138½, sales |
| H. K'loon W. & G... | \$50 | \$60, buyers |
| Yangtze | T100 | Tls. 200, sellers |
| Sugar Companies:— | | |
| Perak Cultivation... | T50 | Tls. 330, buyers |
| China Refining..... | \$100 | \$146, sales |
| Mining:— | | |
| Raub Australian ... | £1 | Tls. \$8, buyers |
| Chinese Eng. & Min. | £1 | Tls. 18½, sales |
| Lands:— | | |
| S'hai Investment... | T50 | Tls. 120, buyers |
| H'kong Investment | \$100 | \$104½, sellers |
| Humphreys' Estate | T10 | \$9½, sellers |
| Weihelwei | T20 | Tls. 9 |
| China | T50 | Tls. 50 |
| Anglo-French | T100 | Tls. 106, sales |
| Plantations:— | | |
| Kalumpang Rubber | T50 | Tls. 225 |
| Chempedak | | Tls. 14 |
| S. Rubber Estates ... | T100 | Tls. 285 |
| T. R. & T. Estate Co. | £1 | Tls. 17, sales |
| Dominion Rubbers... | T6 | Tls. 12½, buyers |
| Shanghai - Sumatra Tobacco | T20 | Tls. 106½, sales |
| Cottons, etc:— | | |
| Ewo | T50 | Tls. 137 |
| Internationals | T75 | Tls. 88, sellers |
| Laon Kung Mow | T100 | Tls. 110, sellers |
| Soy Chees | T500 | Tls. 457½ & 460 sal. |
| H.C.S.W.D. Co., Ltd. | \$10 | Tls. 61, buyers |
| Shanghai Cotton ... | T50 | Tls. 69, sellers |
| Eastern Fibre | £10 | Tls. 10 |
| Industrial:— | | |
| Maatschappij, &c., in Langkat..... | Gs. 100 | Tls. 840, sales |
| Shanghai Gas | T50 | Tls. 11½, sellers |
| Major Brothers | T50 | Tls. 52½ |
| Shanghai Ice..... | T25 | Tls. 15 |
| China Flour Mill ... | T50 | Tls. 47, sales |
| S'hai Pulp & Paper | T100 | Tls. 35, buyers |
| Green Is. Cement.... | \$10 | \$8.75, sales |
| S'hai Waterworks... | £20 | Tls. 425, sales |
| Anglo-Ger. Brewery | \$100 | \$82½, buyers |
| A. Butler Cement... | | |
| Tile Works | T50 | Tls. 231, sales |
| Shanghai Electric Construction..... | £10 | £7- sellers |
| China Im. & Ex. Lumber | T100 | Tls. 75 |
| Shanghai Electric & Asbestos | \$25 | \$20½, sellers |
| China Printing Co. | T50 | Tls. 50 |
| Stores:— | | |
| Hall & Holtz..... | \$20 | \$22, buyers |
| A. Llewellyn..... | \$60 | \$65 |
| A. S. Watson & Co. | \$10 | \$9 |
| Central Ordinary ... | \$15 | \$17 |
| Central Founders... | \$15 | \$400, buyers |
| S. Moutrie & Co.... | \$50 | \$40 |
| Weeks & Co. | \$20 | \$26, buyers |
| Lane, Crawford & Co. | \$100 | \$165, sales |
| Dunning & Co. | \$50 | \$35 |
| Hotels:— | | |
| Astor House Hotel | \$25 | \$18½, buyers |
| Hongkong Hotel Co. | \$50 | \$75, buyers |
| Hotel des Colonies | T12.50 | Tls. 5½ |
| Tsingtao Hotel | \$100 | Tls. 75 |
| Miscellaneous:— | | |
| S'hai Horse Bazar... | T50 | Tls. 55 |
| S'hai Mercury | T50 | Tls. 50 |
| S'hai Mutual Tele. | T50 | Tls. 66, buyers |
| Dallas Horse Repository | T50 | Tls. 25 |

J. P. BISSET & Co.

Messrs. J. P. Bisset & Co. in their Share Report for the week ending Oct. 7th state:— The principal interest in the market during the past week has been the fluctuations in Langkats, due to a reported new agreement made with Companies co-operating, and the rumours of a war in rates in the South over oil. At closing there are divers rumours that an agreement has been come to, and the doubt on this question has given rise to very considerable speculation on the part of holders and short sellers. For particulars of fluctuations, please refer below. The T.T. on London is 2/4. Banks. H. and S. Banks. No business reported. Shares are quoted at \$1,025 sellers. Insurance.—The only business done was in North-Chinas at Tls. 115 for cash. There are sellers at this rate. Shipping.—A transaction was reported on the 7th in Shell Transport and Trading shares at £3 11/- with Ex. at 2/4½. No business in Tugs. Docks and Wharves.—Shanghai Dock and Engineering Co. A few shares changed hands on the 5th at Tls. 76½ for cash. The latest quotation is Tls. 76 sales. Shanghai and Hongkew Wharves. Business was done on the 5th, 6th and 7th at Tls. 142 December and on the 7th also at Tls. 138 and Tls. 138½ for cash. Sugar Cos.—Peraks. Business was done on the 1st at Tls. 360 October, on the 5th at Tls. 340 cash, and on the 7th at Tls. 315 December. Mining.—No business. Lands.—No business in Shanghai Stocks. The only business reported is a single transaction in West Point Land and Building shares at \$44 at Hongkong Exchange. Plantations.—Tebongs have remained steady all the week at \$17 and changed hands on the 1st, 5th and 7th at this rate. Chempedaks were dealt in on the 1st, 5th and 6th at Tls. 14. Dominions were sold on the 6th at Tls. 12½. Sumatra Tobacco shares. Business was done on the 1st at Tls. 118 December, on the 4th at Tls. 111 Dec., on the 5th at Tls. 107½ cash, on the 6th at Tls. 107½ cash and Tls. 112 December, and on the 7th at Tls. 106½ cash and Tls. 110 December. Cottons.—There is not much business to report under this heading. Ewos changed hands on the 2nd at Tls. 140; and on the 5th and 6th at Tls. 139 for December, closing at Tls. 139½ sales December. Internationals were done on the 4th at Tls. 89 cash, and close at Tls. 88 sales. Soy-Chee. A small business was done at Tls. 460 cash on the 4th. Industrial.—Langkats. On the 2nd business was done at Tls. 800 December and on the 4th at Tls. 800 cash and Tls. 800, 810, 815, 825, 830, 850 and 860 December. On the 5th at Tls. 835, 820, 815, 810 December. On the 6th at Tls. 850, 860, 870, 880, 875, 855 and 860 December. On the 7th at Tls. 860, 855 and 835 December. Closing with buyers at Tls. 825 cash and Tls. 835 for December. Green Island Cements. A small lot changed hands yesterday at \$-½. Stores.—No business. Hotels.—Asters at \$18½. Miscellaneous.—Shanghai Mutual Telephones at Tls. 66. Loans and Debentures.—No business reported.

EXCHANGE.

Hongkong, October 15th.

ON LONDON.—

| | |
|--|------|
| Telegraphic Transfer | 1/8½ |
| Bank Bills, on demand | 1/8½ |
| Bank Bills, at 30 days' sight | 1/9 |
| Bank Bills at 4 months' sight | 1/9½ |
| Credits, at 4 months' sight | 1/9½ |
| Documentary Bills, 4 months' sight | 1/9½ |

ON PARIS.—

| | |
|-------------------------------|------|
| Bank Bills, on demand | 219½ |
| Credits 4 months' sight | 223½ |

ON GERMANY.—

| | |
|-----------------|-----|
| On demand | 178 |
|-----------------|-----|

ON NEW YORK.—

| | |
|-------------------------------|-----|
| Bank Bills, on demand | 42½ |
| Credits, 60 days' sight | 43½ |

ON BOMBAY.—

| | |
|----------------------------|------|
| Telegraphic Transfer | 129½ |
| Bank, on demand | 130 |

ON CALCUTTA.—

| | |
|----------------------------|------|
| Telegraphic Transfer | 129½ |
| Bank on demand | 130 |

ON SHANGHAI.—

| | |
|-------------------------------|-----|
| Bank, at sight | 74½ |
| Private, 30 days' sight | 75½ |

ON YOKOHAMA.—

| | |
|-----------------|-----|
| On demand | 84½ |
|-----------------|-----|

ON MANILA.—

| | |
|-----------------|-----|
| On demand | 85½ |
|-----------------|-----|

ON SINGAPORE.—

| | |
|-----------------|-----|
| On demand | 74½ |
|-----------------|-----|

ON BATAVIA.—

| | |
|-----------------|------|
| On demand | 104½ |
|-----------------|------|

ON HAI PHONG.—

| | |
|-----------------|-------------|
| On demand | 8½ p.c. pm. |
|-----------------|-------------|

ON SAIGON.—

| | |
|-----------------|------------|
| On demand | 8 p.c. pm. |
|-----------------|------------|

ON BANGKOK.—

| | |
|-----------------|-----|
| On demand | 88½ |
|-----------------|-----|

SVBERIGNS, Bank's Buying Rate

GOLD LEAF 100 fine, per tael

BAR SILVER pe 2½

FREIGHT.

Hankow, 6th Oct.—Per Conference Steamers to London and Northern Continental ports, 47/6 per ton of 40 cft. plus river freight. To Genoa, Marseilles or Havre, 47/6 per ton of 40 cft. plus river freight. To New York (via Suez), General Cargo, 32/- per ton of 40 cft. plus river freight. To New York (via Suez), Tea 37/6 per ton of 40 cft. plus river freight. To New York (Overland) per carload; Tea G \$1.50 cents per lb gross; less than carload Tea G \$1.75 cents per lb gross, plus river freight. To Shanghai:—Tea and General Cargo, Tls. 2.50 per ton, weight or measurement.

TONNAGE.

HONGKONG, 15th October.—The demand for tonnage from the North continues. From Saigon to this, small parcels booked at 6 cents; to Philippines, 20/24 cents according to quantity; to North Coast Java, 22 cents. From North Coast Java to Hongkong several charterers effected at about 25 cents per picul. From Newchwang to Canton, good demand at 25 cents per picul. Coal freights are firm. From North Japan Coal port to this, \$1.75; Singapore, \$2.75. From Wakamatsu to Hongkong, \$2.00; Canton, \$2.50. From Pulo Laut to Hongkong, \$2.40 per ton. Time charters: The Nord and Solstad have been taken up for cattle trade between Indo China and the Philippines.

SHIPPING CHARTERS.

The following is Mr. Geo. Grimble's list of fixtures during the week:—

Newchwang to Canton—*Clara Jebesen*, Lump sum, \$8,000.

Time Charter s.s. *Nord*, 1 month option, 1 month, \$4,200.

Standard, Newchwang to Amoy, 27/30,000 piculs, at 26 cents.

Chinkiang, Newchwang to Canton, 25,000 piculs, at 26 cents.

Hinsang, Hongay to Canton, 3,000 tons at \$1.60 per ton.

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

October:—

ARRIVALS.

- 8, Frithjof, Norwegian str., from Haiphong.
- 9, Fukui Maru, Jap. str., from Moji.
- 9, Hangsang, British str., from Shanghai.
- 9, Hongwan I, British str., from Singapore.
- 9, Liangchow, British str., from Wakamatsu.
- 9, Tean, British str., from Manila.
- 9, Yotorofu Maru, Jap. str., from Moji.
- 10, Cathay, Danish str., from Shanghai.
- 10, Chinhua, British str., from Shanghai.
- 10, Devawongse, German str., from Bangkok.
- 10, Eastern, British str., from Kobe.
- 10, Haiyang, British str., from Coast Ports.
- 10, Nanshan, British str., from Amoy.
- 10, Tourane, French str., from Marseilles.
- 10, Wuhu, British str., from Chingwantao.
- 11, Dardanus, Br. str., from Liverpool.
- 11, Fukura Maru, Jap. str., from Moji.
- 11, Glenlogan, British str., from London.
- 11, Halvard, Norwegian str., from Hoihow.
- 11, Hunan, British str., from Kebao.
- 11, Kanagawa Maru, Jap. str., from Shanghai.
- 11, Knivsberg, German str., from Haiphong.
- 11, Kwanglee, Chinese str., from Shanghai.
- 11, Loongsang, British str., from Manila.
- 11, Namsang, British str., from Yokohama.
- 11, Oceanien, French str., from Yokohama.
- 12, Borneo, German str., from Sandakan.
- 12, Breconshire, British str., from Singapore.
- 12, C. Diederichsen, Ger. str., from Haiphong.
- 12, Haimun, British str., from Swatow.
- 12, Laertes, British str., from Saigon.
- 12, Locksun, German str., from Bangkok.
- 12, Oceano, British str., from Manila.
- 12, Rajaburi, German str., from Bangkok.
- 12, Tjikini, Dutch str., from Swatow.
- 13, Anghin, German str., from Bangkok.
- 13, Bombay Maru, Jap. str., from Singapore.
- 13, Chenan, British str., from Shanghai.
- 13, Eskdale, Brit. str., from Java.
- 13, Kaifong, British str., from Poilo.
- 13, Kansu, British str., from Chefoo.
- 13, Ningpo, British str., from Hongay.

- 13, Prometheus, British str., from Bangkok.
- 13, Soshu Maru, Japanese str., from Anping.
- 13, Tsintau, German str., from Bangkok.
- 14, Bujun Maru, Jap. str., from Swatow.
- 14, Daiya Maru, Jap. str., from Wakamatsu.
- 14, Delhi, British str., from Bombay.
- 14, Haiching, British str., from Coast Ports.
- 14, Hongmoh, British str., from Singapore.
- 14, Huichow, British str., from Tientsin.
- 14, Nicomedia, German str., from Foochow.
- 14, Sado Maru, Japanese str., from Europe.
- 14, Singan, British str., from Haiphong.

October:—

DEPARTURES.

- 9, China, American str., for Shanghai.
- 9, Chiyuen, Chinese str., for Shanghai.
- 9, Hanoi, French str., for Q. Chow Wan.
- 9, J. Diederichsen, Ger. str., for Hoihow.
- 9, Rajah, German str., for Bangkok.
- 9, Shansi, British str., for Amoy.
- 9, Sungkiang, British str., for Cebu.
- 9, Tjimahi, Dutch str., for Batavia.
- 9, Zafiro, British str., for Manila.
- 10, Bushu Maru, Jap. str., for Wakamatsu.
- 10, Daigi Maru, Japanese str., for Swatow.
- 10, Fooshing, British str., for Singapore.
- 10, Frithjof, Norwegian str., for Hoihow.
- 10, Haimun, British str., for Swatow.
- 10, Harford, British str., for Barracota.
- 10, Hongwai I, German str., for Amoy.
- 10, Johanne, German str., for Swatow.
- 10, Kanchow, British str., for Chinkiang.
- 10, Linan, British str., for Shanghai.
- 10, Palermo, British str., for Takao.
- 10, Pheumphen, British str., for Saigon.
- 10, Proteus, Norwegian str., for Haiphong.
- 10, Wakamatsu M., Jap. str., for Wakamatsu.
- 11, Tourane, French str., for Shanghai.
- 12, Aki Maru, Japanese str., for Shanghai.
- 12, Cathay, Danish str., for Singapore.
- 12, Dardanus, British str., for Shanghai.
- 12, Frithjof, Norwegian str., for Hoihow.
- 12, Haiyang, British str., for Swatow.
- 12, Hunan, British str., for Shanghai.
- 12, Kjeld, Norwegian str., for Newchwang.
- 12, Kweilin, British str., for Chinkiang.
- 12, Lightning, British str., for Singapore.
- 12, Mausang, British str., for Sandakan.
- 12, M. Jebesen, German str., for Haiphong.
- 12, Nanchang, British str., for Newchwang.
- 12, Oceanien, French str., for Europe, &c.
- 12, Tean, British str., for Manila.
- 12, Vine Branch, British str., for Kobe.
- 12, Yotorofu Maru, Jap. str., for Bombay.
- 13, Ascania, German str., for Shanghai.
- 13, Eastern, British str., for Australian ports.
- 13, Fukui Maru, Japanese str., for Moji.
- 13, Glenlogan, British str., for Shanghai.
- 13, Haimun, British str., for Swatow.
- 13, Hangsang, British str., for Swatow.
- 13, Hanyang, British str., for Swatow.
- 13, Kanagawa Maru, Jap. str., for Singapore.
- 13, Meefoo, Chinese str., for Shanghai.
- 13, Titan, British str., for Manila.
- 14, Bombay Maru, Jap. str., for Shanghai.
- 14, Breconshire, British str., for Shanghai.
- 14, C. Diederichsen, Ger. str., for Hoihow.
- 14, Chinhua, British str., for Shanghai.
- 14, Germania, German str., for Hongay.
- 14, Knivsberg, German str., for Hoihow.
- 14, Kolsichang, German str., for Bangkok.
- 14, Tjipanas, Dutch str., for Yokohama.

PASSENGERS.

ARRIVED.

- Per *Kwanglee*, from Shanghai, Mr C. Robinson.
- Per *Haiching*, from Coast Ports, Messrs Kyad and Martinz.
- Per *Rajaburi*, from Bangkok, &c., Messrs Knight and Walker.
- Per *Chinhua*, from Shanghai, Mr and Mrs Lawder, and Mr Woods.
- Per *Haiyang*, from Coast Ports, Mr and Mrs Schwartz, and Mrs Isaacs.
- Per *Chenan*, from Shanghai, Mrs Lepissier, Mr Rafen, Judge Chao Bin Yin and family.
- Per *Namsang*, from Yokohama, &c., Mrs L. Clark, Mr A. Claus and, Mr S. P. Murdoch.
- Per *Rubi*, from Manila, Messrs C. H. Balfour, W. S. Bailey, W. A. Gifford, E. Hermida and F. Paul.
- Per *Sado Maru*, from Europe, &c., Miss Anna Webb, Messrs G. A. Sward, J. N. McBain and W. H. Bramwell.
- Per *Tean*, from Manila, Mr and Mrs F. H. Goulette, Misses Ethel Morrison and Ida Vial, Messrs J. Van Cooth, John Riley and A. G. Sharpe.

Per *Huichow*, from Tientsin, &c., Mr Melkin.

Per *Loongsang*, from Manila, Mr. and Mrs. P. J. Fitzsimmons, Mrs. C. N. Shaw, Messrs. W. P. Wamer and E. Yalong.

Per *Eastern*, from Japan, &c., Mr and Mrs Twiken, Mr and Mrs D. G. Pianos, Mrs and Miss Asher, Mrs Williamson, Miss Enauson, Capt. Holm and Mr H. G. Baker.

Per *Tourane*, for Hongkong, from Marseilles, Mr and Mrs Graham, Mrs Sima Goubault and infant, Mrs Flink and Mr L. M. Raylay; from Singapore Miss Clara Greenberg; from Saigon, Mrs Bemarez, Mrs E. Pizenberg and child, Miss Bayly, Messrs Churquee, Loureiro, Chuss, Poinat and Gerner.

Per *Oceanien*, for Hongkong, from Yokohama, Mr and Mrs Burus Pye; from Shanghai, Miss Lee, Dr. Bonesperri, Messrs Edwin B. Broadrick, Zeng, C. W. Pater, J. C. E. Douglas, Ralph Robinson, E. L. Smith, (H.B.M.'s Judge), J. H. Wilkinson, G. L. Sam, J. E. C. Brooser Maradal, R. P. Maru, R. P. Gaberli and M. U. Confil.

Per *Kanagawa Maru*, from Japan, &c., Commander and Mrs B. Taylor and 3 children, Mr and Mrs F. C. M. Hurley, Captain and Mrs French, Mrs E. H. McEwen, Misses L. Cartwright, G. Reid, J. and M. Goodfellow, Messrs R. Pope, H. E. Cartwright, Tabuchi, Yaono, I. Base, S. J. Mantinala, Inchonhai, D. Lov and infant.

Per *Delhi*, for Hongkong, from London, Messrs F. Howell and P. J. West; from Bombay, Mr and Mrs Bhesama, child and infant; from Singapore, Messrs P. A. Van der Stadt, R. C. Hislop and servant, Arkwright, Duart, V. Agoshido and S. W. Lindsay, A.B.; for Shanghai, from London, Mr and Mrs Annand and 2 children, Mr and Mrs Whittaker and 2 children, Mrs Scull, Miss Daniel, Messrs D. C. Dick and Barlow; from Marseilles, Mr and Mrs Tobias, Messrs West and Jacques Faure; from Bombay, Mrs Kerman, 3 children, 2 infants and servant, and Mr G. F. Payne; from Colombo, Messrs W. Cox and E. Lynn; from Singapore, Miss D. Nilson, Messrs A. Blass and J. B. Nishart; for Kobe, from Singapore, Mr S. Otani; for Yokohama, from London, Miss A. Jacks; from Marseilles, Mr A. Wilkinson.

DEPARTED.

Per *Aki Maru*, for Seattle, &c., Mr and Mrs H. Summers, infant and servant, Capt. and Mrs Tsuchiya, Mrs Hicking, Miss Kuroda, Messrs M. Saito and B. Maher.

Per *Kanagawa Maru*, for London, Mr and Mrs Asher, Rev. and Mrs Case and 2 children, Lieut. Heulett Cooper, Capt. Law, Capt. Davy, Miss Murray, Messrs M. Ikuta, McKenzie, E. T. Craig, K. Kodata, T. Tabuchi, Bromelley, R. Wakameda, K. Ishida, S. Jono, M. Yamaoka, Sasayama, Y. Shioda and T. Tahara.

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Printed and published by BERTRAM AUGUSTUS HALE, for the Concerned, at 10A, Des Voeux Road Central, City of Victoria, Hongkong London Office, 131, Fleet Street, E.C.